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ABSTRACT

This report presents the transcript of Congressional committee hearings on a resolution urging continuation of Federal support for child nutrition programs, in view of proposals by the Reagan administration to turn responsibility for such programs over to the States. The report includes texts of statements, letters, and supplemental materials presented by representatives of concerned public and private groups, such as school personnel, food producers, health and medical associations, food agencies, religious organizations, and policymakers. Verbatim records of interpellations and questions posed by committee members are also provided. Among the arguments forwarded in favor of continued Federal involvement in child nutrition programs are: (1) that nutrition programs are a Federal rather than a State concern; (2) that child nutrition and feeding programs at the Federal level have demonstrated success in reducing hunger, malnutrition, and poor health; (3) that some States are not in a position to maintain the quality and standards of Federal programs; and (4) that agricultural commodity distribution, upon which school lunch programs depend, is itself dependent on Federal support. Other issues considered include the Federal government's concern with protecting expenditures by ensuring that aid goes only to the eligible, and the impact of budget cuts on nutrition programs in some States and school districts. (MJL)

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RESOLUTION URGING CONTINUATION OF FEDERAL INVOLVEMENT IN CHILD NUTRITION PROGRAMS

HEARINGS

BEFORE THE

SUBCOMMITTEE ON ELEMENTARY, SECONDARY,
AND VOCATIONAL EDUCATION

OF THE

COMMITTEE ON EDUCATION AND LABOR
HOUSE OF REPRESENTATIVES

NINETY-SEVENTH CONGRESS

SECOND SESSION

ON

H. Con. Res. 384

HEARINGS HELD IN WASHINGTON, D.C. ON
SEPTEMBER 21, 22, 1982

Printed for the use of the Committee on Education and Labor

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RESOLUTION URGING CONTINUATION OF FEDERAL INVOLVEMENT IN CHILD NUTRITION PROGRAMS

TUESDAY, SEPTEMBER 21, 1982

House of Representatives,
Subcommittee on Elementary, Secondary,
and Vocational Education,
Committee on Education and Labor,
Washington, D.C.

The subcommittee met, pursuant to call, at 9:30 a.m., in room 2175 of the Rayburn House Office Building, Hon. Carl D. Perkins (chairman of the subcommittee) presiding.

Members present: Representatives Perkins, Hawkins, Goodling, and Craig.

Staff present: John F. Jennings, majority counsel; Beatrice Clay, legislative specialist; Mary Jane Fiske, minority senior legislative associate; and Richard DiEugenio, senior minority legislative associate.

Chairman Perkins. The subcommittee will be in order.

Mr. Goodling will make a statement and then I will make a statement.

Mr. Goodling. I wish to commend our distinguished chairman for scheduling these 2 days of important hearings on House Concurrent Resolution 384. I am pleased to note, too, that a comparable measure, Senate Concurrent Resolution 121, was introduced last Thursday in the Senate by Senators Dole and Leahy. Hopefully both bodies will be able to complete action on their respective measures prior to adjournment.

Mr. Chairman, as I stated when I joined you in introducing House Concurrent Resolution 384, I cannot lend my support to the proposition of turning back to the States all responsibility for achieving child nutrition goals. This approach fails to acknowledge either an adequate future Federal commitment to or an appropriate Federal role in attaining these objectives.

A turnback is an abrogation of responsibility at the national level. I fear that we would be turning back or reversing the tremendous progress that we have made to date in enhancing the nutritional well-being of this Nation's youngsters.

Mr. Chairman, I do not view our investment in child nutrition as unnecessary largesse. Rather, I view those programs as an integral part of the educational process and an essential component of national health policy.

Clearly, the achievement of this Nation's longstanding education and health goals will require the ongoing commitment of appropriate resources by a strong Federal, State, and local partnership.

Chairman **Perkins**. As chairman of this subcommittee I would like to reiterate what Mr. Goodling has stated. As Mr. Goodling said, we jointly introduced this resolution on July 23.

Last week, a similar resolution was introduced in the Senate by Senator Dole, chairman of the Subcommittee on Nutrition, and Senator Leahy, the subcommittee's ranking Democrat.

Both the House and Senate resolutions have broad bipartisan support. The House resolution currently has 113 cosponsors and the Senate resolution was introduced with 31 Senators cosponsoring.

Today and tomorrow, the Subcommittee on Elementary, Secondary, and Vocational Education will be hearing expert witnesses discuss the possible ramifications of the Federal Government abandoning its responsibility in the area of child nutrition.

The reasons we have to spend time even discussing this issue is that the Reagan administration has proposed that the Federal Government turn over all responsibility of the Federal child nutrition programs to the States beginning in fiscal year 1988 with all Federal support being ended by 1991. This would be part of the President's so-called New Federalism initiative.

We look forward to our testimony today which will discuss this proposal, as well as House Concurrent Resolution 384.

Let me make an announcement that it will be our purpose to mark this bill up, get it out of full committee on Thursday so that we can get it scheduled on the floor under suspension next Monday.

Mr. Goodling and I will work together on this bill.

[Text of House Concurrent Resolution 384 follows:]

97TH CONGRESS
2D SESSION

H. CON. RES. 384

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 29 (legislative day, SEPTEMBER 8), 1982

Received; referred to the Committee on Agriculture, Nutrition, and Forestry

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CONCURRENT RESOLUTION

Expressing the sense of the Congress that the United States should maintain Federal involvement in, and support for, the child nutrition programs, and for other purposes.

Whereas the United States has been committed to assuring adequate nutrition for school children since the enactment of the National School Lunch Act (42 U.S.C. 1751 et seq.) in 1946;

Whereas shocking conditions of Americans suffering from hunger and malnutrition were once prevalent in this century;

Whereas the Congress has successfully responded by initiating a comprehensive national effort to reduce domestic hunger and malnutrition;

Whereas nutrition was declared to be a Federal responsibility by President Richard M. Nixon in 1969, at the White House Conference on Food, Nutrition, and Health;

8

Whereas the nutrition benefits provided to our Nation's school children contribute significantly to the development of their learning potential;

Whereas nutrition assistance to mothers and children at critical periods of growth can substantially reduce infant mortality, low birth weight, and promote long-term health; and

Whereas the child nutrition programs, including the school lunch program, the breakfast program, the child care food program, the summer feeding program, the special milk program, the special supplemental food program for women, infants, and children (W.I.C.), and the nutrition education and training program, represent a vital investment in our children's future: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) current national efforts to reduce hunger and malnutrition should continue;

(2) a uniform national commitment to the nutrition of our Nation's children should continue through Federal leadership and support of the vital child nutrition programs; and

(3) the Federal Government should retain primary responsibility for the child nutrition programs and such programs should not be included in any block grant.

Passed the House of Representatives September 29, 1982.

Attest: EDMUND L. HENSHAW, JR.,
Clerk.

Chairman. **Perkins.** We will start with the first witness this morning, Dr. Richmond.

STATEMENT OF DR. JULIUS RICHMOND, PROFESSOR OF HEALTH POLICY, HARVARD SCHOOL OF MEDICINE AND ADVISER ON CHILD HEALTH POLICY, CHILDREN'S HOSPITAL MEDICAL CENTER, MASSACHUSETTS

Dr. **Richmond.** Thank you, Mr. Chairman and Mr. Goodling. I am Dr. Julius Richmond, professor of health policy at the Harvard Medical School and I also serve as adviser on health policy at the Children's Hospital Medical Center in Boston.

From 1977 to 1981 I served as Assistant Secretary for Health in the Department of Health and Human Services while simultaneously serving as Surgeon General of the U.S. Public Health Service. From 1965 to 1967 I had the privilege of serving as the first national Director of the Head Start program and Director of the Office of Human Affairs of the Office of Economic Opportunity. By profession I am a pediatrician.

Because of my early involvement with the antipoverty programs, Mr. Chairman, I believe it is appropriate that I recall the major role you, Mr. Chairman, played on behalf of the poor of the Nation then and now. I feel it is a rare privilege to be testifying before a chairman whose role has been so continuing. I cannot help but add that at a time when there is an inaccurate perception being purveyed that our programs for the poor did not work, it is appropriate to emphasize that the facts are otherwise. You and all Americans should be proud that: The long-term effects of Head Start have been very favorable; the impact of title I of the Elementary and Secondary Education Act has been very favorable in many ways; medicaid has had a major impact in producing greater equity in the distribution of health services for the poor; the community and migrant health centers have been most helpful in developing greater access to health services; the nutrition programs, through WIC and food stamps, along with the health services programs mentioned have played a major role in recent years in reducing our infant mortality rate to its lowest in history.

Mr. Chairman, it is not a matter of these programs not having worked, they have indeed worked very well. Now, in the face of today's economic crisis, is not the time to consider reducing or dismantling the programs which you and others have labored so hard to achieve for the poor of this Nation. But let me be more specific concerning the child nutritional programs which are the subject of today's hearing.

In the 1960's the Senate Select Committee on Nutrition and Human Needs held extensive inquiries on hunger in America. The documentation was extensive; a group of experts assembled in 1967 under the auspices of the Field Foundation provided eloquent testimony for what had been known through many nutrition surveys: That hunger and undernutrition were widespread in America.

Since that time a remarkable response was made. It represents one of the great social gains of our time. New Federal programs were started and existing ones greatly expanded. The women, infant, and children's special supplemental food (WIC) program, the school breakfast program, the school lunch program, the child care program, the summer food program, the food stamp program and other human service programs have accomplished so much that the same group of experts, a decade later, could report that hunger had been virtually eliminated in the United States. It was a compassionate accomplishment of which Americans can be proud.

And now the disquieting news. The present administration has developed a coordinated strategy to reduce the role and contribution of the Federal Government to the entire spectrum of childhood nutrition programs. This strategy seems to have three principal components:

One, cutting child nutrition funding. Proposed are both short-term reductions such as the administration's original fiscal year 1983 proposal to fund the present Federal programs at 66 percent of their fiscal year 1982 expenditures, and long-term reductions such as the audacious proposal to end all Federal support by 1991.

Two, turning back child nutrition programs to the States as part of block grants.

Three, reducing Federal nutrition standards. The recent flap over school lunch regulation proposals—that is, lessening the nutrition requirements to less than one-third RDA and allowing nutritionally questionable substitutions—is one example of this strategy. It is to the credit of the people of this country that the folly of the approach was recognized early, exposed, and defeated.

The current administration is actively working through its threefold strategy to end the present substantial Federal initiatives to reduce childhood nutrition in America. One can discern several assumptions underlying this strategy: One, States can run better child nutrition programs than the Federal Government; two, the Federal programs are not working; three, the Federal programs are simply too expensive; and four, malnutrition is no longer a serious problem. I believe each of these premises is incorrect; and let me state why.

One, nutrition is a national, not State issue. Child nutritional standards do not vary from State to State. Every child, irrespective of location, needs certain basic daily requirements for healthy growth.

Yet the States vary widely in their technical capacities, financial resources, and political will to address this issue. In fact, the reason for the national programs in the first place was the failure of almost any State to address the issue of child malnutrition. Federal child nutrition programs did not grow out of State programs.

Nor will the States really run child nutrition programs better. They are not going to become more attuned to local needs than they already are, since they basically already run the Federal programs via contracts with the Federal agencies. Moreover, the great inequalities between States will mean that many children in the States with less resources and less technical capacities will not be served as well. And in addition, this New Federalism will result in massive duplication of efforts, as each State must individually develop standards and regulations, in an area where a simple universal standard could prevail.

There is no reason to believe that States will handle the national child nutrition programs better than the Federal Government; much experience suggests otherwise.

Two, contrary to mistaken administration assumptions, child nutrition programs have been successful. Unlike the 1960's child malnutrition is no longer in the headlines. This is due to successes of our Federal efforts. Public health surveys such as the Field Foundation's noted earlier, report acute malnutrition seems to have been arrested in Americans over the last 10 to 15 years.

Several recent academic evaluation studies also point to the success of these programs. For example, my colleague at Harvard University, Dr. Milton Kotelchuck, recently completed a study of the birth outcomes of poor and nutritionally at risk women who are WIC participants. He showed that WIC decreases the number of low birth weight infants, decreases infant mortality, and improves prenatal care. The WIC program was particularly effective for those who were most at nutritional risk—such as young adolescent mothers. Other studies are starting to show similar positive results.

Child nutrition programs are working. They are meeting their mandate to improve the health of nutritionally and financially at risk women, infants and children. At a time when our programs have brought our infant mortality rate to its lowest in history is not a time to impair our efforts.

Three. Are these programs too costly? Clearly one must make a political judgment, but I believe they are not. The school lunch program costs a maximum of $175 per year per child; the school breakfast program $130 per year per child; the WIC program approximately $30 per month for a nutritionally at risk pregnant woman or her infant. These are not extravagant expenditures. Consider the real economic benefit of fully healthy and productive citizens compared to the small costs of these programs. In one study, also of WIC, it was estimated by Dr. Eileen Kennedy of Tufts University that the savings in the first year due to reduced neonatal intensive care usage was three times greater than the total WIC program expenditures—and that is only the first-year savings. These programs represent a small investment in our future citizens.

Four. Childhood malnutrition is not an issue that has completely disappeared. Despite our great success to date, malnutrition is not an issue which can go away. Malnutrition is not an acute disease. One innoculation does not cure it or prevent it. Malnutrition must be prevented every day. And it can be prevented, but only with a continuous effort. Malnutrition could reoccur. Back sliding on public health programs, without constant vigilence, can and does occur, as some clinicians are beginning to observe today.

Our past success and the lack of publicity should not be interpreted as indicating efforts are no longer needed. We cannot responsibly back off from our commitments.

I believe the rationale and assumptions underlying this administration's New Federalism proposals on child nutrition are inappropriate, and will if implemented, hurt the well-being of our future citizens. For this reason, I strongly endorse the House Concurrent Resolution 384—

> That it is the sense of Congress that—
>
> One. Current national efforts to reduce malnutrition should continue; Two, a uniform national guarantee of nutrition should continue through Federal leadership and the maintenance of support for Federal nutrition programs; and three, the responsibility for Federal child nutrition programs should not be turned back to the States.

The Federal Government has played an extremely proud and effective role in reducing childhood malnutrition in America; it should continue its role.

It is very comforting to know that our compassionate concern to prevent hunger in America is consistent with our scientific knowledge concerning the importance of preventing undernutrition for the health of children. It would be sad indeed if, in this most affluent of nations, we went back to hunger in America.

Chairman **Perkins**. Let me thank you for an excellent statement, Dr. Richmond.

Now we will hear from Dr. Mauer.

STATEMENT OF DR. ALVIN MAUER, CHAIRMAN, COMMITTEE ON NUTRITION, AMERICAN ACADEMY OF PEDIATRICS

Dr. **Mauer**. Mr. Chairman and members of the subcommittee, I am Dr. Alvin Mauer, medical director of the St. Jude Children's Research Hospital and chairman of the Committee on Nutrition for the American Academy of Pediatrics. The academy is a professional organization, representing more than 24,000 board certified physicians providing health care to infants, children, and adolescents. I am pleased to appear before this subcommittee in support of House Concurrent Resolution 384, expressing the sense of the Congress that the United States should maintain Federal involvement in, and support for, the child nutrition programs.

The Federal Government's concern with the nutritional wellbeing of the Nation's children has been expressed since 1915 by a variety of programs, depending on the interest and commitment of the leadership and the advances of science and technology, as well as problems, pressures and priorities of the times—American Academy of Pediatrics, Pediatric Nutrition Handbook, 1979.

From the issuance on technical bulletins in 1915 to the development of the National School Lunch Act in 1946, the special milk program in 1954, the school breakfast program and the special food service program for children—day care and summer feeding—in 1968 and the special supplemental feeding program for women, infants and children [WIC] in 1972, the Federal role has evolved.

This policy had its beginnings in a shift in emphasis from farm relief alone to farm relief cum child nutrition—Sterner, Gilbert Y., The Children's Cause, The Brookings Institution, 1976.

In this obviously piecemeal fashion, a nutritional policy and commitment have developed at the Federal level. These programs aid the most vulnerable of our society during the critical developmental period extending from pregnancy through childhood and into adolescence. Experience with the beneficiaries of these programs has led us to the unequivocal conclusion that these programs are in the national interest and that a clear Federal responsibility is vital to their survival. Not only should this involvement and support be maintained, it should be improved.

America's abundance of food has not assured its children of adequate nourishment. Today in the United States, we rarely see the symptoms of starvation suffered by children in underdeveloped countries, and yet many American children do experience serious nutritonal problems. While these problems are not usually life threatening, their effects can be long lasting and damaging to a developing child—American Academy of Pediatrics, An Agenda for America's Children, 1980.

Iron deficiency anemia is the most prevalent nutritional disease among infants and children. Other related disorders include poor growth, underweight, obesity, excessive dential cavities, and low-birth-weight infants born of malnourished mothers. Many of these deficiencies are more pronounced in specific subgroups and geographical areas with the major factors being income level, race, sex, and age. The most vulnerable group is pregnant women and children. And, poverty is probably the single greatest factor predisposing to malnutrition in North America.

If prevention is indeed the theme of the 1980's, nutrition should be high on the priority list, as it is one of the major influences on the health and development of children. For example, with its preventive focus, WIC has produced impressive results in improving child health and development, particularly in the most vulnerable populations—pregnant and lactating women and infants during their first year of life. A number of studies has shown that women participating in the WIC program during the most critical phase of human development and gestation give birth to fewer low-birth-weight infants. This is a significant indication of effectiveness since low birth weight is by far the greatest single hazard for infants; of all infant deaths, two-thirds occur in infants of low birth weight. A study completed recently in Massachusetts found that the WIC program not only yields fewer low-birth-weight infants, but also significantly reduces neonatal mortality. The WIC program as well has been a vital source of nutritional supplement for infants during the formative first year of physiological and mental development. It is during this crucial time period that infants undergo accelerated growth and rapid brain development, which necessitates a greater nutrient requirement for their size. Undernutrition, especially iron, protein, or calorie deficiencies during the first year of life, interferes with the normal growth patterns of the brain and body. This can lead to permanent adverse effects, such as stunted growth and intellectual malfunction. Participation in the WIC program has been shown to be associated with an accelerated rate of growth in height and weight of infants and children and has led to a significant reduction in iron deficient anemia.

All studies appear to indicate that WIC not only has led to a marked improvement in the health of its participants, but it is a cost-effective program as well. Formal economic analyses have shown very favorable benefit-to-cost ratios, demonstrating that the cost of prevention is considerably less than that of treatment. For example, the average cost of food supplement during a woman's pregnancy is less than $300. This is far less than the hundreds of dollars it would cost each day to keep a low-birth-weight newborn in a neonatal intensive care unit, or the thousands of dollars it would cost to treat the infant during the critical first year of life.

I don't think there is any question but this a useful and efficient method of promoting health in our pregnant mothers, infants, and children.

It is also less than the actual costs of institutionalization, receipt of Federal social service benefits such as special education and special supplemental income, and lost revenues from the inability of handicapped workers to be productive that would have to be borne by society to tend for individuals crippled by mental and physical defects related to undernutrition. The small financial outlay required to provide pregnant and lactating women and infants with the benefits of the WIC program is nominal compared to the otherwise tragic, incalculable costs—unfulfilled hopes, unproductive lives, and unnecessary financial and emotional burdens—that would saddle handicapped individuals, their families, and friends.

It is through the Federal role in standard setting, research, regulation writing, and data collection that we know these programs are effective at the local level. It is this role that has given us an indication of nutritional status so that efforts and moneys can be better focused across the Nation. It is through Federal initiatives that all States can share in and apply our growing knowledge. Moreover, adequate Federal funding is imperative because of States differing economic capacities to support child nutrition. This responsibility simply cannot be left to individual States.

Until more is known about control of the higher incidence of morbidity, mortality, and development problems among children from low-income families, the child nutrition programs are a rational response to at least part of the problem. From a practical viewpoint, malnutrition leads to social and economic costs far beyond the expense involved in these programs. From a humane viewpoint, we should remind ourselves that while Federal programs may be expendable, our children are not.

Chairman **Perkins**. Thank you very much.

Go ahead, Dr. Shirley.

STATEMENT OF DR. AARON SHIRLEY, PROJECT DIRECTOR, JACKSON-HINDS COMPREHENSIVE HEALTH CENTER, JACKSON, MISS.

Dr. **Shirley**. Mr. Chairman, and subcommittee members, my name is Dr. Aaron Shirley. I am a practicing pediatrician and a project director of the Jackson-Hinds Comprehensive Health Center in Jackson, Miss. I appreciate this opportunity to come before you and express my views on the proposal to turn back to the States child nutrition programs and subsequently terminate all Federal support for these programs. It would be difficult for some of you to appreciate the anxiety and fear that is stuck in the hearts and minds of large segments of the population as these proposed changes are considered. You are no doubt already familiar with conditions as they existed some 15 years ago as revealed by the Field Foundation's survey of hunger in the United States—as well as the followup study 10 years later.

As revealed in the original study there was widespread hunger and malnutrition particularly in my State and other areas of the South. Ten years later the people were just as poor in terms of income and shelter but the gross hunger and malnutrition did not exist as it had in 1967. And such is the case today and the primary reason is the combined benefits of child nutrition programs. This is not to say that poverty-related hunger and malnutrition no longer exist. It does exist. It is still widespread among poor children.

For instance, we see too often among our patient population the empty refrigerator shelves, especially toward the end of the month. During the summer months school age children are anxious for reopening of school in the fall because they don't have enough to eat without the school lunch. In our clinic 70 percent of 5,000 children certified annually for the WIC program have dietary histories deficient in vitamins A and C. Another 45 percent are deficient in iron and 30 percent deficient in protein. In those children age 3 to 5, 15 percent are deficient in calcium; 25 percent of other children who live in rural Hinds County that we see for the first time who are not participating in either of these programs are anemic. This contrasts to only a 5 percent anemia rate in those we see who are enrolled in Headstart, infant, child day care, and kindergarten, and thus receiving the food program benefits. There is no doubt in my mind that the child nutrition programs make the difference between the gross malnutrition of 15 years ago with its adverse health and social problems such as anemia, stunted growth, lowered resistance to infection, and inability to learn and develop—and the less severe problems which we see today.

If we admit that conditions are somewhat better as a result of these programs, then why the anxiety and fear of the programs being turned over to the States? Under the administration's proposal States would have the option of eventually withdrawing from some or all of the child nutrition programs. Many States, such as my own even where the Federal Government picks up 80 to 100 percent of the cost have historically opposed programs which, through Federal regulations have targeted the benefits to certain population groups and protected the rights and dignity of those for which the programs are designed to serve. Programs such as the school lunch program, the breakfast program, the child-care food program, the summer feeding program, and the special milk program, if they are to maintain their effectiveness, must remain the responsibility of the Federal Government where the influence of local traditions of discrimination and indifference are minimal and not turned over to States where in some at least, these same factors exert their maximal negative effects. Many school districts see the entitlement features of these programs as a nuisance. They think most parents lie about their income. They just do not have a deep concern for feeding poor people. We just cannot afford to ignore the past history of some States in their dealings with minorities and the poor—not just in child nutrition matters—but also in health, the right to vote, the right to equal justice, and the right to equal educational opportunity and employment.

Grant you, there are those who will declare that these hostile conditions no longer exist in my State and region but I can tell you as a practicing physician among the rural poor that they do exist and the proposed transfer of child nutrition programs to the States will have grave consequences.

Thank you again for allowing me to make this brief statement before you.

Chairman **Perkins**. Thank you gentlemen very much.

Let me remind you distinguished gentlemen that Congressman Goodling and myself, Mr. Hawkins and others don't want to see this program spun off as a part of the so-called New Federalism.

I date back to the days when I would visit homes in my county and country doctors would come around and give malnourished children medicine. One of the chief reasons for the enactment of the School Lunch Act was because during World War II when they turned down so many draftees, the country was alarmed by the high percentage of rejections because of malnutrition.

We have listened to you experts to a great degree throughout the years and we have made tremendous progress. Let us just assume that we did turn these programs over to the States. I have been in the State legislature and know how the various legislators fight over a little money when you don't have enough to go around. In my opinion this turn-back is one part of the so-called New Federalism that should be completely killed because in the long run we will be saving much more money from the standpoint of good nutrition by keeping these programs on the Federal level than we would be if we permitted the turn-back proposals to take effect. Do you agree with that statement, Dr. Richmond?

Dr. **Richmond**. Yes, Mr. Chairman, indeed I do and I think I would simply reinforce the point that you are making. Incidentally, I should parenthetically say that I happened to have served as a flight surgeon during World War II and I had an opportunity to directly observe what you describe so well, that is the poor nutrition of many of our young adults during that period. I am sure none of us want to go back to those days.

I think I would agree with you also that the States are not in good physical shape and with the many competing interests I think it might very well be that the nutritional needs of our children might be sacrificed in favor of other programs.

I would like to emphasize this, Mr. Chairman: It seems to me that, in trying to turn these programs over to the States one would impose a regulatory burden, each State having to generate its own standards, its own regulations. That would be inordinant for the Nation. It seems to me that right now the Federal programs are working well and I think we ought to continue them.

Chairman **Perkins**. Assuming this program was eliminated I would ask you if there would be in your judgment an increase in medical costs down the road and could these medical costs outweigh any Federal savings now?

Dr. **Richmond**. I think if there was an erosion during the course of turning these programs over to the States which almost surely there would as Dr. Mauer has already indicated as I have as well, if one just takes the WIC program, the prevention of low-birth-weight infants—for every low-birth-weight infant that will be in a neonatal intensive care unit the costs range from $3 to $500 a day depending on the parts of the country. Contrast that with $30 per month for prevention for the feeding of a pregnant mother.

I think, Mr. Chairman, there is little doubt concerning real beneficial consequences of these programs and I would be very apprehensive that we wouldn't have uniform standards and that there would be erosion of the programs.

Chairman **Perkins**. I take it both of you other doctors agree with that statement; am I correct?

Dr. **Shirley**. That is correct.

Dr. **Mauer**. Yes, sir, I certainly would.

I think that this really must be emphasized that those programs have worked. All three of us have given indication of how well these programs have worked and I think there is a tendancy, perhaps, to complacency, and I think I would like to reiterate what Dr. Richmond has said, that this is something which we must work on every day.

We were all pleased to realize that small pox has disappeared from this Earth by an effective vaccination program. I think there is a tendency to feel that perhaps nutritional problems may be similar, that because those programs have worked we don't see the severe problems that we did even 10 years ago and that maybe that has gone away, and that is not true. I think we all realize, since poverty is one of the major factors, that especially during times of economic duress in this country, that undernutrition continues to be a severe risk. If these Federal programs are not in place we will return to problems that have almost disappeared. I have not seen a severe case of iron deficiency anemia in a child in a long time. Yet, 20 years ago we used to have two or three children at any one time in the Children's Hospital. Another economic burden.

Dr. **Shirley**. I agree. Over the last 15 to 18 years in my State which has the highest infant mortality rate in the Nation, a great deal of progress has been made. It has been cut in half over the last 15 years and that has been due primarily to the various feeding programs and particularly the WIC program. The officials of my State are very quick to admit that they could not accept the burden of financing these programs and if the moneys were available there are some in the State who feel that it is not the State's responsibility anyway, and I think much has been gained and much more is to be gained by preventing the problems that we have seen in early infancy and during some of the early years of these children's lives.

I think it is almost impossible to calculate the financial benefits over a long period of time that is really the result of these programs.

Chairman **Perkins**. Mr. Goodling.

Mr. **Goodling**. Thank you, Mr. Chairman.

I have no questions but I do want to thank the three distinguished doctors for taking time out of a very busy schedule to come and testify.

There are a lot of things that I think can be done better on the local and State level and a lot of things probably that the Federal Government is involved in shouldn't be done at all but when it comes to child nutrition I believe we have a major role to play. One thing included in the major role is making sure we get the most for our dollar and the very best. We have a lot of colleagues who do not see a need for summer feeding programs and we have to constantly battle that. I don't understand why they recognize the need

9 months a year during the school year and then feel that it disappears in the summer.

One of the things we have been trying to do is tighten up that program so in fact we do a better job of serving those truly in need, trying to get the schools more involved since they have the expertise.

I have observed summer feeding programs in a large urban area this summer and by and large it has improved tremendously because of the school involvement. In one center we had 300 youngsters eating in the streets. There was a school about a block away but the officials were unable to work out some kind of arrangement so that the youngsters could go inside. On that particular day it was raining and it makes it very difficult to determine whether you are really feeding needy folks or not because of the difficulty of controlling people lining up in the streets to determine what is going on and how many people are getting a second and a third lunch and so on.

I also want to state to Dr. Mauer, thank you very much for the great results that we are seeing at St. Jude's in relationship to youngsters, and Dr. Shirley, I compliment you for staying in the rural area. I have said a long time there is no one poorer than the rural poor. The urban poor at least have an opportunity to receive some of the benefits State, local, and Federal governments provide but sometimes that is not true in the rural areas. I compliment you.

Chairman **PERKINS**. Mr. Hawkins.

Mr. **HAWKINS**. Mr. Chairman, I don't know whether this is a question or not but let me first commend you and Mr. Goodling for taking the leadership in the committee in sponsoring this resolution.

I think all of the witnesses this morning have been very able in presenting the case for these programs. The issue that presents itself is, if we conclude that the programs have actually worked well, from a medical point of view as well as from a financial point of view, then why are the programs being shifted to the State level? Is there reason to believe that there are those who want to deliberately destroy the programs but do not want to suffer politically for having done so, and if that is so, if it is for some other reason, why is it that shifting it to the State level will—what is the rationale, or the excuse? There must be something in it. Is it because the program will be destroyed if it is reduced, if it is at the State level as opposed to the Federal level and if that is true, why is that particular thing true?

I am not sure what the answer is and I thought maybe the witnesses may be able to share with us what is behind this.

Is this because those special interests that can operate at the State levels cannot operate at the Federal level? Is it because the actual information concerning the value of the program is diffused if it is in the hands of 50 States rather than at the Federal Government? We see this happening not only in child nutrition but in employment, in civil rights, and all of the issues before this Congress. The same thing is happening. So it is a gradual—not really a gradual shift but a rather abrupt shift of these programs.

Obviously if we believe the testimony this morning we are not saving anything. It may be more costly. I just wonder whether any of the witnesses would venture to share with us what they think, what he believes to be the reason behind this shift.

Dr. **Richmond**. Congressman Hawkins, I will be happy to start the discussion. I can't speak for my two colleagues of course, but I think what comes through the testimony of all three of us as I hear it is puzzlement concerning the motivation for a shift. As a former public official, I think I learned that one tries to make changes when things aren't working well. But here we have a program in which there seems to be fairly broad consensus that these programs are working very well indeed and that they are accomplishing their targeted objective which is to prevent malnutrition among children and mothers.

To me it is a puzzle as to why there would be a proposal to shift what are highly effective programs into a whole new arrangement.

Dr. **Mauer**. I can't answer questions on motivation either. I think as Mr. Goodling implied, it is better to review programs to see whether they could be better administered at local, regional, or national level.

As Dr. Richmond indicated, nutritional standards are universal. They don't vary from State to State. There is a certain advantage in having national nutritional programs like WIC because we can periodically evaluate the effectiveness of these programs and refocus direction if that is necessary. That can't be done on a State-by-State level. I think Dr. Shirley has indicated concern that in some States there might be a lessening of emphasis on nutrition programs, for a variety of reasons. So that we feel that this is one set of programs that should remain in the Federal domain.

We have a regional comedian, Jerry Elder and he tells us "Don't you never try to fix nothing which ain't broke" and I think what we are telling you is this program ain't broke, it works well and I think we ought to leave it where it is.

Mr. **Hawkins**. Every witness I have heard has said the same thing in testimony. Let's confine it to WIC. I have never heard a witness before any committee who hasn't testified precisely the way you have testified this morning. Yet, it is being shifted.

There must be some reason—and I would not want the witnesses to get into this necessarily—it must be more political than it is sound and rational. It must be that in Mississippi—and Dr. Shirley could perhaps answer that—that the program just won't operate for the benefit of the children, the mothers and children and the general welfare of Mississippi, if it shifting to Mississippi. So you get rid of the program but you are not held politically accountable for doing so. If you couch it under some phrase like "New Federalism."

There must be some strong reason for why a program that is so universally supported and so well documented as to its effectiveness, that that program is being shifted. I for one just can't see the rationale.

Chairman **Perkins**. Dr. Shirley, do you want to say something? Well, Mr. Craig, go ahead.

Mr. **Craig**. Mr. Chairman, I want to thank you for holding these hearings relating to this resolution. I certainly recognize the importance of the whole general issue of child nutrition. I could not be here early enough to hear all of the testimony of the people on the panel. I have been slow in coming along to appreciate some of your arguments because I do not yet see the overall reasoning why States and local units should not be included as a participant, certainly, in the process of what we are trying to do here with these individual programs.

Chairman **Perkins**. Senator Dole has arrived. If the gentleman would withhold his questioning, I would not like to delay the Senator.

Senator Dole, you come right on around.

Chairman **Perkins**. Senator Dole, I did not know you would be here until Congressman Goodling was telling me about it. I am delighted that you are over here this morning. I think you are here for a very worthy cause. I have had the privilege of working with you in conferences over a period of years but not recently. You have always taken a constructive viewpoint and I appreciate the fact that you are here this morning. We intend to get this resolution out right away and then let you handle it on the Senate side.

Mr. Goodling, do you care to say something?

Mr. **Goodling**. Yes, Mr. Chairman. We are indeed pleased to welcome Senator Dole, the distinguished chairman of the Nutrition Subcommittee and the Senate Finance Committee before our hearing this morning. He has been a long-standing friend and supporter of our child nutrition program. In fact, he introduced Senate Concurrent Resolution 121 and his testimony before us today will lend a strong helping hand in our bipartisan effort to preserve an appropriate Federal role in this important public policy area. We welcome you, Senator Dole.

STATEMENT OF HON. ROBERT DOLE, A U.S. SENATOR FROM THE STATE OF KANSAS

Senator **Dole**. Thank you very much. I am pleased to be here this morning. I want to underscore what I am certain all the members present this morning have already indicated through statements or questions—that there is and should be a continuing primary responsibility of the Federal Government in these child nutrition programs.

Now, we may disagree on whether or not the programs can be reduced or modified, but I think this issue is important. I would guess that any administration during this time is now looking at what may happen in next year's budget, and I think the resolution on the House side is very timely. What do you have, about 100 cosponsors? We have about 35 Republicans and Democrats cosponsoring a similar resolution, though somewhat different, on the Senate side.

I came here today to underscore my belief that the Federal Government should not back away from its commitment in these child nutrition programs. There are a many of these programs as everyone knows. Some may be more effective than others but on the other hand, many complement each other. It would seem to me that we have made substantial progress over the past decade in trying to address, not only the question of hunger but how we can most effectively serve those who are in the truly needy category. School lunch and other programs that affect a great number of young people in this country.

Now, I have a view that I believe is an appropriate view. In the next few years, we must continue the pressure on spending reductions—and I don't quarrel with that. If we are looking at huge deficits, as some indicate we are this year, the next year, and the next year, we are going to have to continue to scrutinize every program that we have jurisdiction over in the House and Senate.

I have said repeatedly and publicly that we cannot balance the budget just by looking at child nutrition programs, and we can't balance the budget just by looking at other programs that this committee has jurisdiction over. We must evaluate every program.

In my view, the American people will accept actions by Congress to properly reduce spending, if in fact the approach is perceived as being fair and across-the-board, and if, in the process, we continue to address the revenue side. I am not suggesting new taxes, higher taxes. I am just suggesting that equity and fairness require us to look at everything—whether it is an appropriated budget or a tax expenditure. In the coming years, I am certain we will find it necessary to look at defense. We need to continue to focus on balance, fairness, equity, and be perceived in that way.

I am particularly sensitive to this as a Republican. I don't relish statements that Republicans somehow are seeking to limit Federal participation in programs that affect low-income Americans. That is not the goal of many Republicans I know. It is certainly not an objective that we should strive for. I have here a prepared statement which I will be happy to make a part of the record.

Chairman **PERKINS**. Without objection it will be inserted into the record.

[The prepared statement of Senator Dole follows:]

PREPARED STATEMENT OF HON. ROBERT DOLE, A U.S. SENATOR FROM THE STATE OF KANSAS

Mr. Chairman and members of the House Committee on Education and Labor, I am pleased to have been invited to testify before this committee today concerning nutrition programs. The bipartisan resolution which I introduced in the Senate last week had 35 cosponsors, representing significant support for a national commitment to the area of child nutrition programs. Similar in intent to S. Con. Res. 384, the Senate resolution states that "the Federal Government should retain primary responsibility for the child nutrition programs." Based on these initiatives, it is obvious Congress has strong feelings on this issue, and that these feelings are bipartisan.

Back in 1946, the original child nutrition program, school lunch, was enacted with two primary goals in mind: It was initiated to address the appalling problems of malnutrition that were discovered during World War II among potential draftees for the armed services. In addition, this program provided a constructive outlet for surplus agricultural commodities.

Since the school lunch program began, other child nutrition programs have evolved as offshoots of the original program. These include school breakfast, summer feeding, nutrition education and training, the commodity supplemental food program, child care food program, and the special supplemental food program for women, infants, and children, usually referred to as WIC.

Just because we support the concept of the child nutrition programs taken as a whole, doesn't mean that they are perfect. All of these programs should be reviewed on a continuing basis, in order to make certain that they are effectively carrying out their intended purpose—that benefits are being targetted to those who really need them. There is always room for improvement. In many instances, giving increased flexibility to States in designing programs to fit their local needs may result in better distribution of benefits.

The entire area of child nutrition evokes a lot of emotional appeal, because of the nature of the population which these programs serve. Who can oppose efforts to feed our country's children? At the same time, it is our responsibility to see that child nutrition programs are effective. Merely throwing money at a problem doesn't necessarily mean that it will be solved. Unfortunately, some programs have proven to be more effective than others, and further improvements might be in order.

Just because we are not advocating that the child nutrition programs be turned back to the States doesn't necessarily mean the Federal Government can always do a better job of program administration. We are primarily concerned that adequate resources continue to be available to carry out the needs of the programs in question. However, there should be enough flexibility so that the States have sufficient latitude in designing the programs to fit their local needs. States have demonstrated their competence in many areas, and we should work with them in a spirit of cooperation to make certain that these programs maximize their potential.

Although there are many merits to certain aspects of "New Federalism," one has to be selective in determining which programs are appropriate for turnback to the States. This Senator happens to believe that the nutrition area is one that does not easily lend itself to State responsibility.

Although the cost of living may vary from State to State and area to area within a State, the price of food does not vary significantly. For this reason, it is appropriate that the Federal Government retain primary responsibility for nutrition programs in order to guarantee some standardization of benefits. It was President Nixon who declared at the White House Conference on Food, Nutrition and Health back in 1969 that nutrition was a national responsibility.

This followed an era of public focus on domestic problems of hunger and malnutrition. In the early '60's a field foundation expedition explored the extent of these problems in certain poverty pockets in this country, and a major television documentary entitled "Hunger in America" brought these problems to the attention of the American public who registered shock that, in this land of plenty, people were living on the threshold of starvation. American citizens demanded action. What was discovered along with the extent of the problems was that States varied in the intensity and adequateness of their efforts to address nutrition problems within their populations. As a result, benefits in the Federal programs became standardized. In addition, Government initiated a wide range of child nutrition problems, which complemented the intent of the original school lunch program.

The school breakfast, summer feeding, nutrition education and training, child care, commodity supplemental and WIC programs came into being since the school lunch program. These programs, for the most part, have been successful in serving the needs of the children they serve. In recent years, given the limited amount of resources available, efforts have been made through the legislative process to improve program efficiency and better target available funds to those in need.

The health or our Nation's children should be a high priority. Our children deserve to have good nutritional input during the early stages of their growth and development. In many ways, this is what will determine their potential as adults, enabling them to contribute their share to make ours a more productive society. It is well known that hungry children do not concentrate well in the classroom, and whatever educational opportunities are extended to them will not have the intended beneficial effects under these circumstances. A child whose development is impeded during the early years will never have a chance to catch up. Based on this rationale, child nutrition is perhaps one of the most worthwhile investments that our country can make in its future. As chairman of the Nutrition Subcommittee, and one who has actively engaged in efforts to establish and improve the existing child nutrition programs, this Senator believes that child nutrition should remain a national priority.

Senator DOLE. It is well to keep in mind there has been a bipartisan effort in the nutrition area since the word go, and it will continue to be a bipartisan effort. We may have our differences in certain areas. We may believe in the Senate, or in our committee, or your committee, that some program is more effective or some portion of some program is more effective than some other program, but we shouldn't lose sight of the bipartisan nature of this effort and the need for this effort. The last thing we ought to be backing away from is our commitment to young people and our commitment to low-income Americans, regardless of the program—school lunch, WIC or whatever. That doesn't for one moment suggest we should close our eyes to those programs and not continue scrutiny of these programs.

I believe these are good programs, which have the support of conservatives and liberals alike. Some who indicate they are conservatives would have you believe we balance the budget by eliminating all these programs and put the money in Defense or somewhere. I don't quarrel with people's points of view, but I am very pleased that you are moving quickly on the resolution over here. I would hope that we could take some action before Congress adjourns, because I think it is necessary that we do that.

Chairman PERKINS. I think we are going to have a bipartisan approach on this side. Mr. Goodling and I have agreed to put it under suspension on Monday and we will pass it Monday in the House and then it will come over to you.

Senator DOLE. I hope we can move as quickly as you have moved on this side. I don't know of many Senators who want to back away from our primary responsibilities in this area. This doesn't mean we are turning our back on New Federalism. There is probably a place for New Federalism, but it is not in the food stamp or child nutrition area. And it doesn't mean that we don't want to give States flexibility to operate these programs. I have found that many times State administrators have a lot more knowledge on how a program should operate than some of us in the Congress, even though we spend a lot of time with these programs.

Again, I commend the committee for taking this initiative. I am happy to have been here.

Mr. GOODLING. Just one question, Mr. Chairman.

Do you have any timetable on your side? The chairman was speaking of a timetable on this side.

Senator DOLE. No, I would guess something of this nature, but, the Senate does have a slightly different procedure. If somebody objects to consideration, it could delay us beyond the recess. When are we going to leave here, the 8th of October or the 2d?

Mr. GOODLING. I heard the Senate might adjourn earlier.

Senator DOLE. I think for all practical purposes, we have already gone.

Seriously, I would hope we can move quickly. We will be working with our committee. It may be that we can expedite this resolution. Certainly we are going to try to expedite it. If it can't be passed I think we ought to know why it can't be passed and who may be blocking passage.

Mr. GOODLING. I want to thank you for taking time to come over. I know the Senate leader is awaiting your return.

Senator DOLE. That is what worries me. He wants to see me.

Mr. GOODLING. It worries you when he wants to see you?

Senator DOLE. We have a debt ceiling on the floor, which is out of our Finance Committee. In the last 3 weeks it hasn't had much relationship to the Finance Committee.

Mr. GOODLING. I also want to thank you for the tremendous leadership you gave to the tax bill. It was an outstanding job on your part.

Senator DOLE. I appreciate that, and I say that not in a self-serving way. I do believe the Congress and those who supported the bill, maybe even some who shouldn't have supported that bill, should recognize that we did demonstrate we are going to look at all the problems, even though they may affect people in the upper income levels, rather than a lower income level.

Nobody was mortally wounded in that tax bill. Many were touched a little but we found the business community highly supportive of that effort. I don't say it turned the tables around, but we just had to demonstrate to a lot of people in Congress, and to a lot of people across the country, that we want to continue to reduce spending—that has to be our first priority, but we ought to be looking at compliance and loophole closing at the same time.

We can't take it all out of the food stamp program. Last year, we already reduced that program by about $7 billion over the next 3 years, plus what we did this year. Maybe we can do more, but there are limits on how far we can go on these social programs.

Mr. GOODLING. Well, it almost restored my faith in this institution—almost.

Senator DOLE. Now don't get carried away.

Mr. GOODLING. I didn't think there was that much courage around here before an election.

Chairman PERKINS. Thank you very much for an excellent statement, Senator Dole.

Mr. Hawkins?

Mr. HAWKINS. May I simply join in commending Bob Dole for the leadership he has given especially in this area. I picked up a magazine this morning and saw you were quoted on "Nutrition Action" where you said, "The issue is, how do you cut with a meat ax or a scalpel."

I think that is a very excellent statement that you made. I think it brings us back to some rational commonsense and I do want to join in commending you, Bob.

Senator DOLE. Thank you very much.

Chairman PERKINS. Mr. Craig.

Mr. CRAIG. I have no comment, Mr. Chairman, other than to thank the Senator for coming over and lending his leadership to this effort.

STATEMENT OF GENE WHITE, CHAIRMAN OF THE LEGISLATIVE COMMITTEE, AMERICAN SCHOOL FOOD SERVICE ASSOCIATION, AND MARSHALL MATZ, COUNSEL TO THE AMERICAN SCHOOL FOOD SERVICE ASSOCIATION

Chairman PERKINS. Go ahead, Mrs. White.

Ms. WHITE. Thank you, Mr. Chairman.

Mr. Chairman, Mr. Goodling, members of the committee, I am Gene White, chairman of the legislative committee of the American School Food Service Association, and director, office of child nutrition service, for the State of California. Accompanying me today is Mr. Marshall Matz, with the law firm of Barnett & Alagia, and counsel to the American School Food Service Association.

I am pleased to be able to present the statement of the American School Food Service Association [ASFSA] in support of House Concurrent Resolution 384.

One of the shortcomings of the congressional budget process is that we have been legislating in recent years through reconciliation bills. It is extremely difficult to analyze major program policy questions as part of the budget process. House Concurrent Resolution 384 gives us the opportunity to address an important policy question in the context of an oversight hearing before legislation is sent to the Congress. The subcommittee is to be commended.

The administration's current thinking on New Federalism as outlined in the document "Tentative Administration Decisions on Federalism Initiative," June 22, 1982, would turn back to the States all the Federal child nutrition programs with the exception of WIC. As that document makes clear, "after fiscal year 1987 all turnback programs would be repealed." A federalism trust fund would be created to help the States finance those functions and responsibilities being carried out by the programs to be turned back. Beginning in 1987, however, the federalism trust fund would be phased out.

In short, after completion of the transition period, there would be no Federal child nutrition programs, no Federal requirements that States have any child nutrition programs, and no Federal moneys to induce States to have their own child nutrition programs. It would be up to each State to decide if they wanted a child nutrition program, how to structure such a program if they decide to have one, and, most importantly, up to each State to figure out how to finance such a program.

The New Federalism debate up to this point has centered around the swap component—who should be responsible for medicaid, AFDC, and food stamps. This is the first time attention has been given to the turnback component which would terminate and completely repeal the national school lunch program, the school breakfast program, the child care feeding program, and the summer feeding program, among others.

If the administration's New Federalism proposal is sent to the Congress in its current form and enacted into law, the Nation's child nutrition effort would come to an end. Some States would no doubt attempt to have a minimal school lunch program but it would have to be a much lesser effort. The lunch program that the States could reasonably be expected to implement would not be able to maintain the same nutritional standards required in the national school lunch program or to provide the same assistance for poor children. We currently serve free or reduced price lunches to 11.5 million children each day throughout the Nation. There is no existing safety net within the States to provide for these children if the Federal child nutrition programs are repealed. In addition, we seriously question whether any State would be able to afford a school breakfast program, a child care feeding program or a summer feeding program.

The consequences of last year's budget cuts are instructive. In the approximately 1,500 schools that have dropped the national school lunch program most schools established an a la carte type replacement, without nutritional guidelines, and without any provision for free and reduced price lunches for poor children. The budget cuts took $1.5 billion in Federal support from child nutrition but not one State moved to pick up the slack. Three million children have been forced from the school lunch program yet we are not aware of any State that has increased its financial commitment 1 penny.

Mr. Chairman, I would like to comment on this point as it relates to the State I know best and that would be California. We are finding that the cuts that have already been made are making a significant difference in the quality of programs in our States and in the participation. For example, we are finding that 155 students have dropped out of the school lunch program, 19,000 out of the breakfast program and as school opens this fall, we find many schools are considering dropping the breakfast program altogether. This is what is happening as a result of cuts.

If, indeed, funding was eliminated as proposed we could only foresee total disaster. Recently I have had the opportunity to appear before two fiscal committees in our State legislature, one in the Senate and one in the assembly. In both of these hearings the legislature has expressed great concern about the cuts in Federal funding for child nutrition. However, the legislature has also given a message, that in effect this State cannot continue to support programs when there is a slack in Federal funding.

So, we do not see at least in this State the opportunity to fund programs from State resources. The question the Congress faces is not who should administer the child nutrition programs, but do we as a country want to make sure children are fed. There were very few child nutrition programs in the Nation's 100,000 schools before enactment of the National School Lunch Act in 1946; there were very few, if any, free lunches for needy children before the Congress enacted the national free and reduced price meal program in the early 1970's; and there will be very few child nutrition programs left by 1990 if the Congress turns back child nutrition to the States.

For fiscal year 1983, according to a recent Library of Congress study, approximately 75 percent of the total child nutrition program expenditures will be provided for federally income tested programs. According to the analysis of the Center on Budget and Policy Priorities, some 82 percent of all Federal school lunch funds go to support free and reduced price meals for low-income children; 97 percent of Federal school breakfast funds go to support meals for low-income children; about 80 percent of the child care food program funds and 100 percent of the summer food program funds go for low-income children. Both the Office of Management and Budget and the Congress currently classify the child nutrition programs as income security programs.

As you know, Mr. Chairman, the association strongly believes that the child nutrition programs are much more than welfare programs. The point is, however, that most States will simply not be able to pick up the responsibility for the Federal child nutrition programs if it is abdicated by the Federal Government. As unemployment goes up and more people are forced into the free lunch category, the cost of these programs increases. As the cost of food goes up, the cost of the programs goes up. These programs work because of the entitlement nature of the Federal programs. The States will not be able to structure the programs in the same manner, if indeed they have any program at all.

Further, the nutritional needs of children do not vary from State to State. The nutrient requirements for well-nourished children are the same in the State of Mississippi as they are in the States of Kentucky, Pennsylvania, or California. The child nutrition programs address a uniform national need, and in return demand a uniform national commitment through uniform national guidelines.

The sad truth is that for many children across this country school meals provide the only hot meals of the day. For many children, Monday's school lunch is the first hot, nutritious meal they have had since Friday's school lunch.

Each morning millions of children throughout the United States begin their school day by pledging allegiance to one nation, under God. Let's think about what it means to be one nation. Can we truly consider ourselves to be one nation if the children in one State with a sound tax base are well fed while the children in another State without an adequate tax base go hungry? Are we to become 50 separate nations bound only by a common defense pact, post office, and interstate highway system? There must be something more that binds us, that makes us one nation.

Within 1 year of the historic CBS-TV documentary "Hunger in America" the Senate created the Select Committee on Nutrition and President Nixon declared the problem of malnutrition to be a national responsibility. A national commitment to feeding children was recognized and placed above partisan politics, above political theory. Our commitment to each other, our hope for the future, our national self-image demanded Federal intervention and freedom from hunger. We must not pull back from this commitment.

The Federal child nutrition programs may well represent the most successful social policy initiative this country has ever undertaken. Initiated in 1946 with the enactment of the National School Lunch Act, the Federal effort to reduce hunger and malnutrition among the Nation's children has been overwhelmingly successful. It is a source of pride to all of us who have been involved in this effort. ASFSA believes that the Federal Government should continue to retain primary responsibility for the national child nutrition programs, and that this responsibility should not be turned back to the States.

We strongly urge passage of House Concurrent Resolution 384. It is an extremely important statement of public policy and one that deserves the support of this committee, the House of Representatives and the Senate.

[The prepared statement of Gene White follows:]

PREPARED STATEMENT OF GENE WHITE, CHAIRMAN OF THE LEGISLATIVE COMMITTEE, AMERICAN SCHOOL FOOD SERVICE ASSOCIATION

Mr. Chairman, Mr. Goodling, Members of the Committee, I am Gene White, Chairman of the Legislative Committee of the American School Food Service Association, and Director, Office of Child Nutrition Service, for the State of California. Accompanying me today is Mr. Marshall Matz, with the law firm of Barnett & Alagia, and counsel to the American School Food Service Association.

I am pleased to be able to present the statement of the American School Food Service Association (ASFSA) in support of H. Con. Res. 384.

One of the shortcomings of the Congressional budget process is that we have been legislating in recent years through reconciliation bills. It is extremely difficult to analyze major program policy questions as part of the budget process. H. Con. Res. 384 gives us the opportunity to address an important policy question in the context of an oversight hearing before legislation is sent to the Congress. The Committee is to be commended.

The Administration's current thinking on New Federalism as outlined in the document *"Tentative Administration Decisions on Federalism Initiative,"* June 22, 1982, would "turn back" to the states all the federal child nutrition programs with the exception of WIC. As that document makes clear, *"after fiscal year 1987 all turnback programs would be repealed"* (emphasis added). A federalism trust fund would be created to help the states finance those functions and responsibilities being carried out by the programs to be turned back. Beginning in 1987, however, the federalism trust fund would be phased out.

In short, after completion of the transition period, there would be no federal child nutrition programs, no federal requirements that states have any child nutrition programs, and no federal monies to induce states to have their own child nutrition programs. It would be up to each state to decide if they wanted a child nutrition program, how to structure such a program if they decide to have one, and, most importantly, up to each state to figure out how to finance such a program.

The New Federalism debate up to this point has centered around the "swap" component—who should be responsible for Medicaid, AFDC, and food stamps. This is the first time attention has been given to the turnback component which would terminate and completely repeal the national school lunch program, the school breakfast program, the child care feeding program and the summer feeding program, among others.

If the Administration's New Federalism proposal is sent to the Congress in its current form and enacted into law, the nation's child nutrition effort would come to an end. Some states would no doubt attempt to have a minimal school lunch program but it would have to be a much lesser effort. The lunch program that the states could reasonably be expected to implement would not be able to maintain the same nutritional standards required in the national school lunch program or to provide the same assistance for poor children. We currently serve free or reduced price lunches to 11.5 million children. There is no existing safety net within the states to provide for these children if the federal child nutrition programs are repealed. In addition, we seriously question whether any state would be able to afford a school breakfast program, a child care feeding program or a summer feeding program.

The consequences of last year's budget cuts are instructive. In the approximately 1,500 schools that have dropped the National School Lunch Program most schools established an a la carte type replacement, without nutritional guidelines, and without any provision for free and reduced price lunches for poor children. The budget cuts took $1.5 billion in federal support from child nutrition but not one state moved to pick up the slack. Three million children have been forced from the school lunch program yet we are not aware of any state that has increased its financial commitment one penny (1¢). The question the Congress faces is not who should administer the child nutrition programs, but do we as a country want to make sure children are fed. There were very few child nutrition programs in the nation's 100,000 schools before enactment of the National School Lunch Act in 1946; there were very few, if any, free lunches for needy children before the Congress enacted the national free and reduced price meal program in the early 1970's; and there will be very few child nutrition programs left by 1990 if the Congress "turns back" child nutrition to the States.

For fiscal year 1983, according to a recent Library of Congress study, approximately 75 percent of the total child nutrition program expenditures will be provided for federally income tested programs. According to the analysis of the Center on Budget and Policy Priorities, some 82 percent of all federal school lunch funds go to support free and reduced price meals for low income children; 97 percent of federal school breakfast funds go to support meals for low income children; about 80 percent of the child care food program funds and 100 percent of the summer food program funds go for low income children. Both the Office of Management and Budget and the Congress currently classify the child nutrition programs as "income security" programs.

As you know, Mr. Chairman, the Association strongly believes that the child nutrition programs are much more than welfare programs. The point is, however, that most states will simply not be able to pick up the responsibility for the federal child nutrition programs if it is abdicated by the federal government. As unemployment goes up and more people are forced into the free lunch category, the cost of these programs increases. As the cost of the food goes up, the cost of the programs goes up. These programs work because of the entitlement nature of the federal programs. The states will not be able to structure the programs in the same manner, if indeed they have any program at all.

Further, the nutritional needs of children do not vary from state to state. The nutrient requirements for well-nourished children are the same in the state of Mississippi as they are in the states of Kentucky, Pennsylvania or California. The child nutrition programs address a uniform national need, and in return demand a uniform national commitment through uniform national guidelines.

The sad truth is that for many children across this country school meals provide the only hot meals of the day. For many children Monday's school lunch is the first hot nutritious meal they've had since Friday's school lunch.

Each morning millions of children throughout the United States begin their school day by pledging allegiance to "one Nation, under God". Let's think about what it means to be "one Nation". Can we truly consider ourselves to be one nation if the children in one state with a sound tax base are well fed while the children in another state without an adequate tax base go hungry? Are we to become 50 separate nations bound only by a common defense pact, Post Office and interstate highway system? There must be something more that binds us, that make us "one nation."

Within a year of the historic CBS-TV documentary "Hunger in America" the Senate created the Select Committee on Nutrition and President Nixon declared the problem of malnutrition to be a "national responsibility". A national commitment to feeding children was recognized and placed above partisan politics, above political theory. Our commitment to each other, our hope for the future, our national self-image demanded federal intervention and freedom from hunger. We must not pull back from this commitment.

The federal child nutrition programs may well represent the most successful social policy initiative this country has ever undertaken. Initiated in 1946 with the enactment of the National School Lunch Act, the federal effort to reduce hunger and malnutrition among the nation's children has been overwhelmingly successful. It is a source of pride to all of us who have been involved in this effort. ASFSA believes that the federal government should continue to retain primary responsibility for the national child nutrition programs, and that this responsibility should not be turned back to the states.

We strongly urge passage of H. Con. Res. 384. It is an extremely important statement of public policy and one that deserves the support of this Committee, the House of Representatives and the Senate.

Mr. KILDEE. Thank you, Ms. White for your testimony.

It is important that this committee compile a record to help defend these people and your testimony is a very effective contribution to that record.

Our next witness is Ms. Lorette Picciano-Hanson, issues analyst, Bread for the World, a group for which I have great admiration. I am a personal friend of Bishop Thomas Gumbleton who was a classmate of mine in the seminary. He continued in the ecclesiastical part of his profession. I chose government, eventually, anyway, and I am also a good friend of Arthur Simon, executive director and brother of Congressman Paul Simon.

Welcome.

STATEMENT OF LORETTE PICCIANO-HANSON, ISSUES ANALYST, BREAD FOR THE WORLD

Ms. PICCIANO-HANSON. Thank you very much.

I am Lorette Picciano-Hanson. I am an issues analyst on domestic hunger for Bread for the World, specializing in child nutrition programs. I speak today on behalf of Bishop Gumbleton and Arthur Simon and all of our 42,000 members across the country.

When David Stockman, Director of the Office of Management and Budget, introduced the specifics of the administration's New Federalism plan early this year, he reminded congressional committees before which he testified that "the federalism plan reaches beyond narrow questions of the most appropriate means for delivering particular Federal programs." Now that the administration has included a proposal to terminate Federal child nutrition programs and return funds for these programs to the States, we think it is most appropriate to consider some of the narrow questions. We do not feel the administration's proposal for child nutrition constitutes the most appropriate means for delivering Federal child nutrition programs.

We applaud your efforts, Mr. Chairman, and Mr. Goodling, Mr. Perkins and the rest of the committee in getting together House Concurrent Resolution 384 which would express the views of Congress that these programs should not be sent back to the States.

We thank you for this opportunity to address the subcommittee today.

Bread for the World is a Christian citizen's movement which seeks to address public policy on behalf of hungry people. We are not qualified to comment on all aspects of the Federalism initiative, or on the virtues, in most programs, of Federal vs. local control.

We do know that Christ has instructed us to feed the hungry, and has told us in Matthew 25 that "Whenever you did this for one of the least important of these brothers of mine, you did it for me." Our response to any initiative in Federal nutrition policy springs from our concern that we design the best policy possible to accomplish this task of feeding the hungry.

As Christians, and other people of faith, our concern for hungry people cannot be allowed to conform to State, or for that matter, national boundaries. A hungry child in Pennsylvania merits as much concern as one in Kentucky; children in Texas and Vermont are of no less value than those in Illinois or New York. They are all children of God.

As citizens, we feel the elimination of hunger is a national responsibility. There may be programs where needs for services vary from State to State. Nutrition programs do not fit that category. The right to, and need for, an adequate diet is the same in every State of the Union.

Furthermore, the child who thrives and is able to learn and grow into a productive citizen in New York is likely, in our mobile society, to become a valued asset in Illinois or Texas or any other State in the course of his or her life. If the same child does not thrive, the loss of productivity is a cost borne by people in all those places.

When a child is hungry in any State, it affects all of us, irrespective of where we reside. When hunger was discovered in a handful of States in the late 1960's, in our hearts we felt it was not a concern just for the people of Alabama or Arkansas, but for all of us. We were ashamed as citizens, not of our respective States, but of the United States of America, to find such a thing happening here. We acted together to reduce hunger. We need to continue to work together until each and every child in the United States is spared the threat of hunger. This goal must remain a national goal.

Federal efforts to reduce hunger have worked. Individual programs can always be improved and we have worked together diligently to improve them. In the fact of increasing poverty, we cannot risk taking on faith the administration's assertion that the States are much more willing and able to handle these programs than in 1967. While that could be so, it does not make sense to attempt to replace in one stroke what we have so arduously labored to build unless and until we are firmly convinced that hungry children will be better served if the responsibility for feeding them is given back to the States.

Nutrition programs are a national investment. I think we have many examples which I won't take from my testimony right now, that show the results of all of the child nutrition programs.

Child nutrition programs have worked because we have had a concerted national effort to make them work. They have worked because we have set national goals and national standards. These standards have insured the programs have maintained a high quality and have therefore developed the respect and support of parents, teachers, administrators, and politicians.

Without Federal standards, some States would maintain program quality. Others might not. BFW has found that nothing extinguishes political support faster than a poor quality program which fails to accomplish its purpose. If only one State allows standards to laspe and allows its programs eventually to be terminated, that loss is too great. We need to keep child nutrition programs at the Federal level until that risk can be eliminated entirely.

Federal programs as they are now constituted have resulted in better health for many low- and middle-income children in our Nation. The money we have spent on them can be counted as an investment which will pay off later in lower costs for specialized care of children who cannot work when they mature and in savings in Federal health costs.

The costs which can be averted by better diet are not insignificant. The New York State Nutrition Watch Committee, in its findings and recommendations reports that:

> American industrial firms spend about $700 million yearly to replace the 200,000 men between 45 and 65 years of age who are killed or disabled by coronary diseases. Of the persons hospitalized in this State—New York—the Department of Health estimates that 20 percent had a nutrition-related illness. Studies have indicated that up to one-third of total health care costs may be attributable to inadequate nutrition. Thus, poor nutrition contributes to an estimated $10 billion in health care costs in New York State.

Improvements in diet could reduce obesity, heart disease and infant mortality. Child nutrition programs not only improve the health of children; they improve a child's ability to remain healthy. The meal provided by school cafeterias is an illustration of a balanced diet including all essential nutrients needed for health and growth. New foods, and new ideas for preparing familiar foods are also introduced.

The nutrition education and training program allows for more active educational efforts on diet and health to occur. School may be the only place a child has access to this important instruction. This information can counteract some negative information children receive about food in media promotions.

Nutrition habits are formed early in life, and the earlier a child learns the essentials of good health, the greater impact that education will have on their later habits. The potential of the child care feeding program, where children are with a caretaker they respect and imitate for up to 10 hours a day, to set good eating patterns has not been explored.

President Reagan has agreed, at least in theory, to the importance of good health habits in his proclamation making October 4, 1982 Child Health Day. He proclaims that:

> There is no better way for this Nation to invest in its future than by fostering the health of its children. We can best do this by encouraging children to develop good health habits and attitudes and by giving them the protection of immunization . . .
>
> Healthy children foreshadow vigorous adults whose communities will benefit from their energy and productivity. All of us should know how the personal choices we make can help prevent disease and promote good health and to transfer this knowledge to our children. By working together, parents, schools, private and voluntary organizations, and government can effect a beneficial and lasting change in the health of our nation and the lives of our children.

The Federal Government may wish to more studiously investigate the potential of child nutrition programs, in their nutrition and education components, to reduce health costs before it considers assuming the enormous cost of the medicaid program as proposed in the federalism initiative.

The potential of child nutrition programs to improve the health of our Nation's citizens and reduce health expenditures has not yet been reached. Nutrition education efforts are not yet well enough established, nor their importance widely enough recognized to insure all States would continue them if left to manage their own program. I would also like to note that turning back child nutrition funding might hurt some programs more than others. There is a large constituency for the school lunch program in most States. It is a well-recognized and well-respected program and probably might fare well in competing with funds with other programs. Not necessarily through though, depending on the ability of the State to pay. However, we are a little more worried about the school breakfast program which is not so well established and does not have the degree of political support that some of the other programs have. Some schools might also choose to use school breakfast funds to help enhance the school lunch program.

The summer feeding program is not well established, and has barely survived budget assault in the U.S. Congress. While the program is essential, providing nutrition to low income students for one-quarter of the year, it has been more difficult to administer. Since most school districts do not operate cafeterias in the summer, the program has had to look elsewhere for sponsors. This committee is well aware of the problems with the program, and is likewise aware that these problems are not without solution. But the reputation of the program, combined with the fact that it is only a stepchild at best of State agencies, might mean the program would not survive a battle for funds in many States. In the case of summer feeding, the federalism plan is a risky proposition for the children who need the food.

The child care feeding program, so essential to preschool children, is also not well established, and lacks powerful support at the State level. In some States, it is administered through departments of education. In other States, the Federal Government administers it and there is not provision for State administration.

This is a program we cannot risk losing and has barely survived assaults in the U.S. Congress. This program is very essential, provides nutrition throughout the year for those other important 3 months.

It does not have the political support or the reputation that is necessary for it to complete for funds in very tough State funding battles and might very probably fall out of existence in many States.

As an expectant mother, I have been researching daycare costs and have been extremely surprised to find out how much quality daycare costs and also how long are waiting lists for this care. Daycare is essential if low-income mothers are going to continue working and this will save us expenses later. We would much rather have a mother working than on welfare and the mother would prefer to be working.

School breakfast, summer feeding and child care feeding, are too important to be lost in a federalism shuffle. At the Federal level, further improvements can be made in the programs, enabling them to more effectively and efficiently accomplish their goals.

Child nutrition programs also benefit the farmers of the United States. This partnership between nutrition and farmers provides a market for nutritious food at cost affordable to school districts. Children have a constant source of wholesome food. Commodities programs would be much more difficult to administer if programs are returned to the States.

One assumption underlying the return of programs to the States is that the administrative costs for the programs would be reduced sharply. Another assumption is that the States could administer the programs more efficiently. There are few facts to either support or discredit these assumptions. The most we can say is that through the years, the USDA has gained great expertise in administering the programs with a reasonable degree of efficiency. The centralized preparation of forms and regulations may have some advantages over setting up 50 separate departments to do the same work. We must have more than an assumption before we can responsibly change the fundamental way these programs are operated. We wonder whether the States are going to be able to assume the costs. I have included in my testimony some information about several States and we are very concerned, for example, in the States of Michigan, Minnesota, and Ohio, which are already suffering serious budget constraints. We are not sure that they are going to be able to make up any more funds and assume any more program responsibilities.

The Governors of Michigan and Minnesota decided not to run for relection because of the very bad state of the States' economies.

The States where programs have been turned back and have moved swiftly to take control of the programs, most have exercised the option of tranferring funds between block grants. Thirty-three States, for example, moved funds out of low-income energy assistance and 26 of those States placed those funds into social service programs.

In the recent urban institute study they also studied 25 States to determine how much the States replaced funding. They found the overall replacement rate has been low with the highest rate of replacement in social services but generally they only replaced a small amount of those services.

The magnitude of dollars involved isn't large and the decisions were consistent with the State policy toward transferring funds between block grants. None of the States in severe financial situations committed them to any new replacement funding in 1983. States that have historically provided high levels of human service funding did not intend to replace funding while States in better fiscal condition with historically low rates of spending did replace funds in most cases.

Texas, for example, which has a constitutional limit on the amount of AFDC spending did not. We can infer that not all States are in the position to take on new programs. They will do so mostly according to their finance ability. Still, turning the responsibilities for nutrition over to the States is a risky proposition and a number of States already are in deep fiscal crisis.

The administration has repeatedly stressed the role of private assistance and voluntarism in meeting the needs of poor and hungry people. However, now when the needs are the greatest, Federal budget reductions have severely undermined the ability of private organizations to respond to need. The administration should harbor no illusions, and Congress should accept no administation assumptions that churches and private agencies can fill the gap in services which may be created by further changes in the delivery of service or created by the adoption of federalism initiatives.

Most of BFW's members belong to organized churches. Many are involved not only in public policy work, but in activating their local churches to directly aid needy people in their communities. In recent months, the BFW national office has received increasing numbers of reports on dramatic increases in need for direct assistance, of changes in the clientel needing service, with many more families requesting aid, and of increased contributions from churches which have not been able to meet increased needs. I have included some examples of what is happening in some local areas.

In conclusion, Federal child nutrition programs are especially important now when poverty is increasing again in the United States. While States might be able to manage the programs well, we cannot be certain that children in all States will receive assistance similar to that which they receive now from the Federal level.

Federal guidelines and standards have been especially important in maintaining quality programs which have consistently fulfilled the goals set for them. A proper diet for our children and access to education on what constitutes a proper diet is a worthy and valuable investment for the Federal Government to make.

The reduction of hunger in the United States is appropriately a Federal responsibility. We applaud the efforts of this committee and give our full support to House Concurrent Resolution 384.

Mr. KILDEE. Thank you very much for your testimony.

[The prepared statement of Lorette Picciano-Hanson follows:]

PREPARED STATEMENT OF LORETTE PICCIANO-HANSON, ISSUES ANALYST, BREAD FOR THE WORLD

Mr. Chairman, and members of the House Education and Labor Committee, I am Lorette Picciano-Hanson. I am an Issues Analyst on Domestic Hunger for Bread for the World, specializing in child nutrition programs. I speak today on behalf of 42,000 Bread for the World members.

When David Stockman, Director of the Office of Managment and Budget, introduced the specifics of the Administration's "New Federalism" plan early this year, he reminded Congressional committees before which he testified that "the federalism plan reaches beyond narrow questions of the most appropriate means for delivering particular federal programs." Now that the Administration has included a proposal to terminate federal child nutrition programs and return funds for these programs to the states, we think it is most appropriate to consider some of the "narrow" questions. We do not feel the Administration's proposal for child nutrition constitutes the most appropriate means for delivering federal child nutrition programs.

We applaud your efforts, Mr. Chairman, and Mr. Goodling, to maintain federal support and responsibility for child nutrition programs, both in past actions of this committee and now through H. Con. Res. 384. BFW concurs with the goals of the resolution which expresses the sense of Congress that federal involvement in and support for nutrition programs, and that child nutrition programs should not be turned back to the states.

Thank you, also, for this opportunity to address this committee today. We are grateful to you for providing this forum for further discussion of the appropriate federal responsibility for feeding our nation's children.

NUTRITION IS APPROPRIATELY A NATIONAL CONCERN

Bread for the World is a Christian citizen's movement which seeks to address public policy on behalf of hungry people. We are not qualified to comment on all aspects of the federalism initiative, or on the virtues, in most programs, of federal vs. local control.

We do know that Christ has instructed us to feed the hungry, and has told us in Matthew 25 that "whenever you did this for one of the least important of these brothers of mine, you did it for me." Our response to any initiative in federal nutrition policy springs from our concern that we design the best policy possible to accomplish this task of feeding the hungry.

As Christians, and other people of faith, our concern for hungry people cannot be allowed to conform to state, or for that matter, national boundaries. A hungry child in Pennsylvania merits as much concern as one in Kentucky; children in Texas and Vermont are of no less value than those in Illinois or New York. They are all children of God.

As citizens, we feel the elimination of hunger is a national responsibility. There may be programs where needs for services vary from state to state. Nutrition programs do not fit that category. The right to, and need for, an adequate diet is the same in every state of the union.

Furthermore, the child who thrives and is able to learn and grow into a productive citizen in New York is likely, in our mobile society, to become a valued asset in Illinois or Texas or any other state in the course of his or her life. If the same child does not thrive, the loss of productivity is a cost borne by people in all those places.

When a child is hungry in any state, it affects all of us, irrespective of where we reside. When hunger was discovered in a handful of states in the late 1960's, in our hearts we felt it was not a concern just for the people of Alabama or Arkansas, but for all of us. We were ashamed as citizens, not of our respective states, but of the United States of America, to find such a thing happening here. We acted together to reduce hunger. We need to continue to work together until each and every child in the U.S. is spared the threat of hunger. This goal must remain a national goal.

FEDERAL PROGRAMS WORK AT THE FEDERAL LEVEL

Federal efforts to reduce hunger have worked! Individual programs can always be improved and we have worked together diligently to improve them. In the face of increasing poverty, we cannot risk taking on faith the Administration's assertion that the states are much more willing and able to handle these programs than in 1967. While that could be so, it does not make sense to attempt to replace in one stroke what we have so arduously labored to build unless and until we are firmly convinced that hungry children will be better served if the responsibility for feeding them is given back to the states.

Nutrition programs are a national investment.—If child nutrition programs had not succeeded in improving health and nutrition, I am certain we would be searching for new approaches. But numerous studies have found, and numerous Congressional witnesses have reported, improvements in health, nutrition status and achievement as a result of child nutrition programs.

For example:

School Breakfast—The public school system in Cleveland, Ohio conducted a study of children's achievement, school attendance and health from 1968–72 to determine whether the school breakfast program resulted in improvements in attendance, attitudes toward school, and achievement. They found statistical improvements in attendance; improved attitudes, such as alertness, energy, manners and motivation. Improvements in achievement could not be measured because other projects which might more directly influence achievement were in progress.

Child Care Feeding Program—A 1976 study of the Headstart program in Maine showed that Headstart meals increased consumption of calcium and ascorbic acid in diets of children who attended regularly. Previously, both nutrients were below requirements. A 1967 study in New York showed that Headstart meals contributed 36–100 percent of some nutrients. A study of Headstart in 1968 in Louisiana showed meals in the program improved children's hemocrit and hemoglobin values. Studies in a midwestern town in 1973 and in Santa Monica, California in 1974 found the same thing.

School Lunch—A recent study by USDA found that students who participate in school lunch receive a higher percentage of their nutritional needs than those who do not. Participating students got higher percentages of protein, Vitamin A, riboflavin, vitamin B6, calcium and phosphorus both at lunch and throughout the day than students who have school lunch available but do not eat it.

Child nutrition programs have worked because we have had a concerted national effort to make them work. They have worked because we have set national goals and national standards. These standards have insured the programs have maintained a high quality and have therefore developed the respect and support of parents, teachers, administrators and politicians.

Without federal standards, some states would maintain program quality. Others might not. BFW has found that nothing extinguishes political support faster than a poor quality program which fails to accomplish its purpose. If only one state allows standards to lapse and allows its programs eventually to be terminated, that loss is too great. We need to keep child nutrition programs at the federal level until that risk can be eliminated entirely.

Federal programs as they are now constituted have resulted in better health for many low and middle income children in our nation. The money we have spent on them can be counted as an investment which will pay off later in lower costs for specialized care of children who cannot work when they mature and in savings in federal health costs.

The costs which can be averted by better diet are not insignificant. The New York State Nutrition Watch Committee, in its "Findings and Recommendations" reports that:

"American industrial firms spend about $700 million yearly to replace the 200,000 men between 45 and 65 years of age who are killed or disabled by coronary diseases. Of the persons hospitalized in this state [New York], the Department of Health estimates that 20 percent had a nutrition-related illness. . . . Studies have indicated that up to one-third of total health care costs may be attributable to inadequate nutrition. Thus, poor nutrition contributes to an estimated $10 billion in health care costs in New York State."

Improvements in diet could reduce obesity, heart disease and infant mortality.

Child nutrition programs not only improve the health of children; they improve a child's ability to remain healthy. The meal provided by school cafeterias is an illustration of a balanced diet including all essential nutrients needed for health and growth. New foods, and new ideas for preparing familiar foods are also introduced.

The Nutrition Education and Training program allows for more active educational efforts on diet and health to occur. School may be the only place a child has access to this important instruction. This information can counteract some negative information children receive about food in media promotions.

Nutrition habits are formed early in life, and the earlier a child learns the essentials of good health, the greater impact that education will have on their later habits. The potential of the Child Care Feeding Program, where children are with a caretaker they respect and imitate for up for 10 hours a day, to set good eating patterns has not been explored.

President Reagan has agreed, at least in theory, to the importance of good health habits in his proclamation making October 4, 1982 Child Health Day. He proclaims that:

"There is no better way for this nation to invest in its future than by fostering the health of its children. We can best do this by encouraging children to develop good health habits and attitudes and by giving them the protection of immunization. . . .

"Healthy children foreshadow vigorous adults whose communities will benefit from their energy and productivity.

"All of us should know how the personal choices we make can help prevent disease and promote good health and to transfer this knowledge to our children. By working together, parents, schools, private and voluntary organizations, and government can effect a beneficial and lasting change in the Health of our Nation and the lives of our children."

The federal government may wish to more studiously investigate the potential of child nutrition programs, in their nutrition and education components, to reduce health costs before it considers assuming the enormous cost of the Medicaid program as proposed in the federalism initiative.

The potential of child nutrition programs to improve the health of our nation's citizens and reduce health expenditures has not yet been reached. Nutrition education efforts are not yet well enough established, nor their importance widely enough recognized to insure all states would continue them if left to manage their own program.

Turning back nutrition funds would hurt some programs more than others.—The National School Lunch program is well established and accepted in all states. It is usually administered through state educational departments, and these departments feel a sense of ownership for the program. They are therefore unlikely to allow funds previously alloted to school lunch programs to be allocated elsewhere if state legislatures are given control of the funds.

To a lesser extent, the state departments of education feel and affinity for the school breakfast program, although this program has more spotty support throughout the states. It has not yet been extended to all communities, and in many places where it is desperately needed, it has not yet started. State education departments may again fight to keep school breakfast funding, but in some states, they may choose to use the funds to enhance the more familiar lunch program.

The Summer Feeding Program is not well established, and has barely survived budget assaults in the U.S. Congress. While the program is essential, providing nutrition to low income students for one quarter of the year, it has been more difficult to administer. Since most school districts do not operate cafeterias in the summer, the program has had to look elsewhere for sponsors. This committee is well aware of the problems with the program, and is likewise aware that these problems are not without solution. But the reputation of the program, combined with the fact that it is only a stepchild at best of state agencies, might mean the program would not survive a battle for funds in many states. In the case of Summer Feeding, the federalism plan is a risky proposition for the children who need the food.

The Child Care Feeding Program, so essential to preschool children, is also not well-established, and lacks powerful support at the state level. In some states, it is administered through Departments of Education. In other states, the federal government administers it and there is not provision for state administration.

This is a program we cannot risk losing. Quality day care is essential if low-income mothers are to continue working and training for better jobs. Food is one of the largest expenses in day care centers, and without federal assistance for food, many centers would be forced to close. Many have closed already due to budget reductions. Day care is a small expense when compared to the fiscal and human cost of forcing mothers out of work and onto welfare.

School Breakfast, Summer Feeding and Child Care Feeding, are too important to be lost in a federalism shuffle. At the federal level, further improvements can be made in the programs, enabling them to more effectively and efficiently accomplish their goals.

Child nutrition programs also benefit the farmers of the United States. This partnership between nutrition and farmers provides a market for nutritious food at cost affordable to school districts. Children have a constant source of wholesome food. Commodities programs would be much more difficult to administer if programs are returned to the states.

Program efficiency.—One assumption underlying the return of programs to the states is that the administrative costs for the programs would be reduced sharply. Another assumption is that the states could administer the programs more efficiently. There are a few facts to either support or discredit these assumptions. The most we can say is that through the years, the USDA has gained great expertise in administering the programs with a reasonable degree of efficiency. The centralized preparation of forms and regulations may have some advantages over setting up 50 separate departments to do the same work. We must have more than an assumption before we can responsibly change the fundamental way these programs are operated.

CAN THE STATES ASSUME THE COSTS?

Under the President's federalism plan, funds for programs would be returned to the states along with tax sources to pay for them. At first, the federal government would continue funding. Later this funding would be phased out. States would then be able to use a trust fund of excise taxes to help fund the programs. Some additional assistance resulting from reduced federal taxes, allowing states to increase taxes, could also be expected.

With the current size of the federal deficit, and planned increases in defense spending which have equaled every dollar cut elsewhere, future tax reductions do not seem likely for many years to come. Further reductions in federal spending which might result from turning programs back to the states would be offset by increased Medicaid expenditures. The total federalism plan entails about $38.7 billion, which is not a large amount in the face of current federal deficits.

We cannot assume that states will incur no further costs if programs are turned back to them. Most states are not in a position at present to provide funds the federal government will no longer provide. Many states have been unable to replace federal funds lost in budget cuts.

The Urban Institute and the National Conference of State Legislators recently collected information on the fiscal situation of the states. They found a few states in poor condition. In Michigan, Minnesota, and Ohio, for example, there seems to be little hope that more could be done for hungry children in the wake of changes at the federal level.

In Michigan, three executive orders have reduced the fiscal year 1982 budget by more than $559 million, even with a temporary six-month one percent increase in income tax. Despite a budget imbalance, the state decided not to restrict welfare eligibility. Because of high unemployment, unbudgeted costs increase by $266 million. The state did not replace lost federal revenue for higher education in 1982, but does plan to do so in fiscal year 1983. A fall 1982 initiative proposes a 75 percent reduction in property taxes levied for schools. A budget amendment requires that aid to local governments does not fall below 41.6 percent of the state budget.

In Minnesota, in fiscal years 1982-83, $402 million was cut from the budget, $268 in spending was deferred, and taxes were increased by $268 million. The DFL legislature and the Republican governor disputed tax increases vs. spending cuts. The cost of education has been partially returned to localities, and health and welfare funding has been cut the least.

Ohio, which has the second highest unemployment rate in the country, has made five rounds of spending cuts since December 1980. Most cuts exempted public welfare, but Ohio starts with a low base of support. Education and corrections spending were protected, although education still received cuts in basic and special aid. All operating budgets were cut by 10 percent. Taxes were increased by $600 million.

The governors of Michigan and Minnesota declined to run for reelection because of the state's fiscal difficulties.

The states have moved swiftly to take control of programs already turned back to the states. Most states excercised the option of transferring funds between block grants. Thirty-three states, for example, moved funds out of low income energy assistance. Twenty-six placed these funds into social service programs.

The Urban Institute also studied twenty-five states to determine the rate of state replacement funding. They concluded that the overall rate of replacement has been low, with the highest rate of replacement in the social services where eight states augmented funding. Even where funds are replaced, it is generally only for a small percentage of the funds lost. The magnitude of dollars involved is not large, and decisions about replacement funding were consistent with the state's policy toward trasferring funds between block grants. Also, none of the states in severe fiscal situations committed themselves to any new replacement funding for fiscal year 1983. States which have historically provided high levels of human service funding did not tend to replace funds, while states in better fiscal condition with historically low rates of spending on human services did replace funds.

From these findings, we can infer that not all states are in the position to take on new programs. They will do so mostly according to their financial ability. The problem of a state's willingness to serve the needs of hungry people within its borders may not be so great as in the past. Still, turning the responsibility for nutrition over to the states is a risky proposition in a number of states already in deep fiscal crisis.

PRIVATE AND VOLUNTARY EFFORTS

The Administration has repeatedly stressed the role of private assistance and "volunteerism" in meeting the needs of poor and hungry prople. However, now when the needs are the greatest, federal budget reductions have severely undermined the ability of private organizations to respond to need. The Administration should harbor no illusions, and Congress should accept no Administration assumptions that churches and private agencies can fill the gap in services which may be created by further changes in the delivery of service created by the adoption of federalism initiatives.

Most of BFW's members belong to organized churches. Many are involved not only in public policy work, but in activating their local churches to directly aid needy people in their communities. In recent months, the BFW national office has received increasing numbers of reports on dramatic increases in need for direct assistance, of changes in the cliental needing service, with many more families requesting aid, and of increased contributions from churches which have not been able to meet increased needs.

In San Jose, California, low-cost housing was already scarce two years ago. Many people were living in cars and needed food that didn't have to be refrigerated or cooked. They did not qualify for public assistance because they had no address. This was the kind of slack the churches and voluntary agencies have always picked up, but they couldn't keep up with the demand then and are more strained now.

Churches have always complemented the efforts of the federal government for direct assistance. They are increasingly unable to make up for the loss of massive amounts of federal dollars.

Poor people in Franklin County, Ohio, near Columbus, lost $7 million in food stamp benefits. Last year, area churches donated $500,000 in food. Even if church contributions doubled to $1 million, there would still be $6 million less in one form of food assistance alone.

The Council of Churches in Kentucky recently published a study on levels of church assistance to needy persons. The study concluded that the average church in Kentucky would have to increase its annual contributions by $12,500 to meet the cuts in federal food assistance alone.

Some other examples of increased need include:

A 50 percent increase in requests for Emergency Food from the food cupboard at St. Stephen's Episcopal Church in Missouri district three. One third are requests from people laid off from jobs.

Requests for emergency financial assistance from the Archdiocese of Washington, D.C., have doubled and tripled at Catholic Charities Offices. Lines at soup kitchens are longer than before. At one parish, hundreds wait in line for sixty cents to help them through one more day.

In the Archdiocese of Detroit, Archbishop Szoka notes at least a 100 percent increase in requests for material assistance in nearly every social service agency in the diocese. One emergency food center now serves 1,000 people per day.

Because of the volume of request from our members to help assess the situation in their communities, BFW has recently launched a monitoring project called Hunger Watch. Since the kit was first released this past summer, over 120 local groups have requested the materials.

The churches are now doing all they can do in many areas on behalf of the poor. The problem of hunger will not be eliminated unless the federal government continues its partnership with the church and voluntary agencies. There is plenty for each to do.

CONCLUSION

Federal child nutrition programs are especially important now when poverty is increasing again in the United States. While states might be able to manage the programs well, we cannot be certain that children in all states will receive assistance similar to that which they receive now from the federal level.

Federal guidelines and standards have been especially important in maintaining quality programs which have consistently fulfilled the goals set for them. A proper diet for our children and access to education on what constitutes a proper diet is a worthy and valuable investment for the federal government to make.

The reduction of hunger in the United States is appropriately a federal responsibility. The job has not yet been completed, and federal efforts will need to continue for some years to come.

Patricio Fernandez Flores, Archbishop of San Antonio spoke in a recent pastoral letter of conditions in his diocese: "My heart has many times felt sadness. So many of our brothers and sisters are poor. I have seen the empty gaze of families who don't have enough to eat or enough to live on. I have felt the futility of children who go to school but who learn so little. I have seen the anger of people who fear as if life and opportunity have passed them by. We have in our midst so many people who feel isolated, oppressed, lonely—all those who live at the edge, whether they be rich or poor—who will speak for them? . . ."—Rural America, Oct.-Nov. 81, pg. 22.

We as a nation must continue to speak for them and feed them until we reach a day when they are able to do so themselves. Taking special care of the children will hasten the coming of that day.

[From the Federal Register, Thursday, Sept. 16, 1982]

CHILD HEALTH DAY, 1982

A PROCLAMATION BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

There is no better way for this Nation to invest in its future than by fostering the health of its children. We can best do this by encouraging children to develop good health habits and attitudes and by giving them the protection of immunization. Good health habits and practices begun in childhood are the prelude to positive health throughout life.

Healthy children foreshadow vigorous adults whose communities will benefit from their energy and productivity. All of us should know how the personal choices we make can help prevent disease and promote good health and to transfer this knowledge to our children. By working together, parents, schools, private and voluntary organizations, and government can effect a beneficial and lasting change in the health of our Nation and the lives of our children.

Now, therefore, I, Ronald Reagan, President of the United States of America, pursuant to a joint resolution of May 18, 1928, as amended (36 U.S.C 143), do hereby proclaim Monday, October 4, 1982, as Child Health Day.

I urge all Americans to join me in encouraging good health habits and attitudes in our children and call upon all citizens to observe Child Health Day with appropriate activities directed toward establishing such practices in the youth of our Country.

In witness whereof, I have hereunto set my hand this 14th day of Sept. in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN.

Mr. KILDEE. Our next witness is Mr. Edward Cooney, staff attorney, the Food Research Action Center.

Mr. Cooney is well known and respected by this committee. People are clearly eating better in this country because of his activities.

STATEMENT OF EDWARD COONEY, STAFF ATTORNEY, FOOD RESEARCH AND ACTION CENTER

Mr. COONEY. Thank you, Mr. Kildee.

I appreciate the opportunity to testify here today and I would like to thank Chairman Perkins and Mr. Goodling for introducing this resolution and for having these hearings. I am also pleased that Representative Craig is here today.

In many instances people within the hunger community do talk to one another and thus drive themselves crazy. It is nice to talk to

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a representative who indicates that he has some reservations about some measures of New Federalism and some of these programs in particular.

I am presenting this testimony on behalf of the National Anti-Hunger Coalition. Also the Coalition on Block Grants and Human Needs endorses House Concurrent Resolution 384 as well.

The National Anti-Hunger Coalition is a group of low-income participants and their allies. There are 49 regional representives and 50 State coordinators. At their Kansas City meeting in July of this year they passed a resolution opposing the inclusion of child nutrition programs in New Federalism because they feared that there were no assurances that the nutritional needs of low-income people would be protected.

The Coalition on Block Grants and Human Needs is a group of 100 national organizations representing churches, the elderly, the working poor and children and other vulnerable groups. They also have concerns about the impact of New Federalism on the truly needy of America. Not that these groups totally oppose New Federalism but they certainly have several reservations and that is particularly true of the inclusion of child nutrition programs.

House Concurrent Resolution 384 raises several questions. I would like to touch on four of those questions.

The first question is: Why do we have national or Federal child nutrition programs? I think three points relate to that, some of which have been mentioned here today and one is pretty obvious. A hungry child cannot learn no matter where he lives. Children have basic nutritional needs which do not in fact vary from State to State. It is also a necessary and vital need for national minimum standards of eligibility and nutritional requirements.

Further, we believe there exists the need to protect special groups in the population, like Native Americans and migrants.

The second question which I will address is: Even if it were appropriate, are States in a position to pay 100 percent of the future costs of child nutrition programs?

We would submit some experts will argue States will either have to do one of two things: Raise taxes dramatically or cut services severely, or both.

We believe that the Federal provisions of entitlement status and indexing also have the—the loss of their provision will have an adverse impact on States' ability to pay for these programs. We would also submit that States have not moved quickly to replace lost Federal funds from budget cuts of 1981.

The third question concerns whether, if the child nutrition program is so successful, why is there a need for change? We would submit that the programs are successful and these successes have been well documented.

The fourth question is simply put: Who are the State and local figures who want these child nutrition programs returned to the States? We would suggest that the lack of response might be telling.

On the first issue of why we have child nutrition programs, we think it is obvious that there is a link between nutrition, health and learning. William J. Reese, in an article entitled "Nutrition in Urban School Children 1890 to 1920," discussed this relationship.

He noted that the 19th-century French statesman Danton once said that, "After bread, education really is the first need of the people." Danton pointed out that food and education would become the principal components of the strong nation-state.

As a Nation we began as early as 1893 in Chicago with women's groups, trade unionists and other groups to suggest that public funds be used for school lunch and school breakfast programs.

The beginning of an issue of whether or not hungry children learn, took place then. How people in Chicago were able to start a school breakfast program without the use of the Frackelsen school breakfast program is of course still a mystery.

As things progressed through the thirties, the Federal support was extended, the Work Projects Administration, of course, did a lot of things, but one of the things it did was add cafeteria workers for schools.

Beginning in the forties there was the purchase and distribution of surplus commodities in schools and in 1946 we saw the passage of the national school lunch program.

This may be the only statement ever presented to Congress that compares the Boer War in South Africa, World War I and World War II and its impact on the school lunch programs, but they all shared one thing in common. Draftees for all of those wars had nutrition related health problems which prevented individuals, particularly obviously young males, from serving in the military.

In 1906 the Uniform Provision of Meals Act was passed in Great Britain which then became their national school lunch program. Ours took place in 1946.

In part as a response to the principle that a healthy, well nourished citizenry would seem to be in the national interest, as you can see from the statement of purpose in the national school lunch program, it was passed as a measure of national security to safeguard the health and well being of the Nation's children and to encourage the domestic consumption of nutritional agricultural commodities.

Later on in 1966 the Child Nutrition Act was passed with the school breakfast program containing a statement of purpose that recognized the relationship between food and good nutrition and the capacity of children to learn.

I guess the point of that particular section is that nothing happens in a day. It took Congress 40 years to develop the world's most comprehensive child nutrition program. Let's not abandon that road today.

The second point under that question is that we feel there is a need for a national minimum standard as it relates to eligiblity. Prior to 1970 there was a report prepared that indicated that 4 of the 6 million children whose families had income below the poverty level were not getting free and reduced priced meals. In many instances they had to pay for those meals.

In 1968, as Gene White pointed out, Charles Kuralt did a special called "Hunger—U.S.A." The then Senator George McGovern happened to be sitting in front of his TV that evening when Kuralt asked a child why he was not eating lunch, since he was sitting in a cafteria and all the other kids were eating.

The kid responded that he didn't have enough money to buy the lunch, wasn't getting a free or reduced price meal. Kuralt then asked him how he felt about this. McGovern sitting there before his TV set said, "Well, he was probably going to say that he was hungry or he was simply just angry." The child responded that he was ashamed.

It was then that Senator McGovern and Members of the Senate and this committee, with Carl Perkins, in the lead and Representative Quie and the late John Ashbrook decided it was time for the Federal Government to establish a national uniform measure of need so that children in the wealthiest Nation in the world's history would not be hungry in school.

This experience does not mean that States cannot or will not provide for their needy, but it does suggest that the track record in some States is documented as not very uplifting.

Therefore we argue that there is a necessary and vital role for the Federal Government to play in establishing minimum standards such as ineligibility.

We also feel the same is true in establishing nutrition requirements. As this committee has heard, countlessly, there is a minimum nutritional goal of one-third of the RDA that is established through the school lunch program. Kids are supposed to receive that goal over time. Obviously not every meal meets that goal, but that is the direction in which people are heading.

We also know that low-income people receive anywhere from 34 to 49 percent of their day's total nutrition intake. We know this because USDA has done a study and has reported that. Just think of it. For many children the school lunch program is not only the best meal of the day, but for thousands of needy children it may be the only meal of the day.

Our concern is that if New Federalism is implemented things like a nutritional standard would no longer be in place, local schools would have local nutritional standards but we would have no assurances that the schoolchildren of this Nation as a whole would be receiving nutritionally adequate lunches. There is an assumption that every school system has a dietitian, has a nutritionist and has a consumer expert on hand. That is not true in many places.

The third point we raised is that native Americans and migrants need our protection. They live in many situations. Native Americans live in rural areas. It is not very cost effective sometimes to have programs located on a reservation. It costs more money because the support system that might be available, and in Flint, Mich., is not available, and in parts of Oklahoma. Migrants by the nature of their work are certainly mobile. States have historically stated, "We will treat you at your point of destination," because that particular State happened to be a point of origin for the migrants. And the reverse is true for other States. They will say, "No, it is the point of origin that is responsible for the migrant."

Just one example. In the community services block grant of last year native Americans in seven States received no funds. All of the individuals were parts of organizations that received money in previous years and we believe that the reason they didn't receive those funds is that they are not as politically organized as some of the other groups and also because they happen to live in large part in rural areas.

The second question which I think needs to be addressed is: Can the States pay 100 percent of the future costs of these programs? Well, we have some indication of what those parameters—what is going to be the cost of these programs in the future.

Jule Sugarman of the Human Services Information Center did a study in 24 States of what it would cost to fund the main Federal human service programs in 1980 based upon the revenues in their States from 1979 and he suggests sales taxes would have to go up 120 percent in the States, motor fuels by 169 percent, alcohol and tobacco by 665 percent, personal income by 120 percent and corporate income by 37 percent.

One of those taxes would have to take place if you wanted to replace those revenues.

Trust fund or not, we fear that the States are going to have to either cut services severely or raise taxes dramatically or both. Robert Greenstein of the Center on Budget and Policy Priorities has also pointed out a couple of interesting points that may have gotten lost in the New Federalism shuffle and one is that between 1928 and 1958, if these programs remain at the Federal level, States will receive an additional $1 billion due to the entitlement status and indexing provisions of the current programs. They will lose those funds once New Federalism takes place.

Also the Office of Management and Budget has made their projections of future costs and future numbers of meals and submitted that proposal as part of New Federalism. The only problem is the figures are not accurate and CBO estimates they have made a mistake in the nature of $400 million. Not a light sum.

States have not hastened to pick up the Federal budget cuts of 1982. One example is under the child care food program. The California rural assistance program in California has done a survey of child care sponsors and they indicate that the direct results of the budget cuts are, they are hearing stories of hungry children, increased fees to parents and some program dropouts.

Our concern is that the high quality day care, the single most important ingredient in allowing parents to work, is being increasingly unavailable because the food subsidy which made it possible is now too small.

I think as Gene White has pointed out in the national school lunch program we have seen dropouts. Nationwide about 3.4 million children have dropped out and 1.4 million of those children are low income.

The school breakfast program, about a half a million of the 3.5 million children have dropped out and 75 percent of those children are low income.

In a study that the Food Research Action Center has done entitled, "The Impact of Child Nutrition Budget Cuts: A Look at the States and Selected Districts," we have backed that information up by our own statistics which indicate that 62 percent of the States had a 10-percent drop in participation and one-third of those children in the lunch program were low income. Sixty-five percent of the States reported another 10-percent drop in participation in school breakfast and approximately two-thirds of the children are low income.

Mr. Kildee, I would like to submit this along with my printed statement for the record and we will make the copy of the study, which is 120 pages in length, available to Mr. Goodling's office and to Mr. Perkins' office, because I think there is a great deal of information in there that might be of assistance to the majority and minority members.

What have States done in terms of school lunch? Have they replaced the funds? I think Gene indicated that is not so. In place of that they have tried to do some creative things, but when all is said and done, you can only do so much better meal planning, so much better use of commodities. You are faced with the situation of, do you raise prices to the paying students or do you decrease the number of cafeteria workers. Some States do one, some local schools do one, some do both.

Just to give an idea of what the costs are now for the paying students, the national average in the school year 1980-81 was $63.58. That has gone up to $79.08, an increase of 16.3 cents. This information is based on a survey of 44 State directors who responded to our survey as to what lunches cost in the State.

Another indication of the State's ability to pay for programs is that 17 States in 1980 to 1981 provided their own funds beyond what was called for in the national school lunch program. Thirteen of those States in the school year 1981 to 1982 supplied those funds, so we have seen a drop of four States which used to provide healthy subsidies.

As a part of my testimony I have attached a listing of the 13 States, or the 17 States that did provide assistance to local schools and what type of assistance that was because I felt the committee might be interested in that.

It ranges from Utah's situation where they use taxes on alcohol, to other States that provide for staff or in-kind support.

Just two quick points in conclusion, and I think many of the witnesses have indicated that we all feel that the child nutrition programs have been successful. Such wide-ranging groups as the Congressional Budget Office have suggested that school breakfast programs improved the diet for all participants and also that the cost effectiveness of breakfasts is high. The study on the child care food program showed there was greater variety and more nutrition in food consumed by participants in the child care program than children in centers who did not participate.

The nutrition program, a report by our own concerned official at the U.S. Department of Agriculture, has indicated the unequivocal and positive effects of student nutrition knowledge in the States of Georgia and Nebraska where USDA tested out NET.

The school lunch program assessment in FRAC in its own study, I just point out to the counsel of the committee there is a three-page bibliography of all the studies that were ever conducted by anyone on school lunch which will be helpful to us all in giving correct sights in the future and pointing out deficiencies in the past, but in the FRAC study it indicated more milk, fruit, and vegetables were consumed by participants of the national school lunch program than by nonparticipants.

It also indicates that the kids who do brown bags and the al a carte lines and vending machines do not approach the nutritional integrity of the national school lunch program. That does not mean a mother, father, or parent living at home who provide a very sound nutritional lunch and sends it to school—parents do that but what it does suggest is in studies conducted, is that the average kid in that situation does not get a nutritional lunch, that the national school lunch program is the answer to the needs of low-income and all children.

One last question is who are those local and State officials who support the nutrition programs return to the States. Well, I have been unable to find them. The State directors themselves met in Brownsville, Tex. I happened to be privileged to be at that meeting which USDA sponsored and I was allowed to address the group and I heard what they had to say. They didn't touch exactly on New Federalism but New Federalism broke on the front page of the Washington Post that day of my address, which I was very grateful for because it made my presentation go quite well.

But the directors indicated strongly that they felt that the nutrition program should remain at the Federal level. There was no mystery why. They knew that the States were facing great costs, that in their own agencies there were State freezes. So you might imply from that that they were simply watching out for fiscal concerns, but that has not been my experience. The State directors and the National PTA, the Coalition on Block Grants and Human Needs and the American Dietetic Association all endorse this resolution.

The common thread that goes to these organizations is not a financial concern but they care about kids, they understand what adequate nutrition is and how essential it is for growth, health and intellectual and social development.

They know State resources are not unlimited. The officials who are supposed to benefit from New Federalism as it relates to child nutrition have suggested that they would rather keep it at the Federal level.

I know Mr. Kildee is a great mystery buff so I would just like to conclude my testimony by saying that if Raymond Chandler, the famous author of detective novels were here, I think he would say, this proposal is ready for the big sleep.

[The prepared statement of Edward Cooney follows:]

Prepared Statement of Edward Cooney, Staff Attorney, Food Research and Action Center

I. Introduction

Good morning Mr. Chairman. My name is Edward Cooney. I would like to thank you for the invitation to present this testimony. I am a staff attorney at the Food Research and Action Center, a public interest law firm and advocacy center in Washington, D.C. My field of specialty is child nutrition programs. I would like to thank you, Mr. Chairman, and Rep. Goodling for convening this hearing on H. Con. Res. 384 which expresses the sense of Congress that there is a need for continued support for Federal nutrition programs and further expresses the concern that the responsibility for the child nutrition programs should not be turned back to the States.

I am presenting this testimony on behalf of the National Anti-Hunger Coalition. The Coalition on Block Grants and Human Needs also joins in support of H. Con. Res. 384. Mr. Chairman, these groups and individuals strongly endorse and urge the immediate passage of H. Con. Res. 384.

The National Anti-Hunger Coalition is composed of low income participants of federal nutrition programs and their allies across the nation. At its Kansas City meeting of July 1982, the coalition passed a resolution to:

> oppose the inclusion of child nutrition programs in new federalism since there were no assurances that the nutritional needs of low income Americans were protected

The Coalition on Block Grants and Human Needs is an alliance of more than 100 national organizations which are deeply concerned about the devastating implications of the Administration's "new federalism" proposals for the truly needy in America. Included in the Coalition

ARE NATIONAL CHURCH DENOMINATIONS, CIVIL RIGHTS ORGANIZATIONS AND GROUPS REPRESENTING POOR AND WORKING PEOPLE, DISABLED AMERICANS, THE ELDERLY, CHILDREN, AND OTHER VULNERABLE GROUPS. THE MEMBERS OF THE COALITION ON BLOCK GRANTS AND HUMAN NEEDS ARE GUIDED BY FOUR PRINCIPLES IN EXAMINING NEW BLOCK GRANT PROPOSALS AND THE ADMINISTRATION'S NEW FEDERALISM PROPOSAL. THESE ARE:

- THE NEED FOR ADEQUATE FEDERAL FUNDING FOR HUMAN NEEDS AND INCOME MAINTENANCE PROGRAMS;
- THE NEED FOR FEDERAL STANDARDS TO ENSURE THAT SUCH FUNDS ARE TARGETED TO THE PEOPLE WHO HAVE THE GREATEST NEEDS;
- THE NEED TO ENSURE THAT THERE IS FEDERAL ENFORCEMENT OF CIVIL RIGHTS LAWS AND OTHER CRUCIAL PROTECTIONS WHICH HAVE RESULTED FROM DECADES OF STRUGGLE TO IMPROVE THE LIVES OF AMERICANS WITH SPECIAL NEEDS; AND
- THE NEED FOR FEDERAL STANDARDS TO ENSURE THAT LOCAL, STATE, AND FEDERAL AGENCIES FOLLOW OPEN, DEMOCRATIC DECISION-MAKING PROCESSES AND ARE HELD TO BASIC STANDARDS OF PUBLIC ACCOUNTABILITY, INCLUDING REQUIREMENTS THAT THERE BE ADEQUATE RECORDS, AUDITING, AND OVERSIGHT.

II. WHY DO WE HAVE NATIONAL CHILD NUTRITION PROGRAMS?

A. Children's Nutritional Needs Do Not Vary From State to State; There is a Link between Nutrition and Learning

The nutrition and health status of our children and particularly our low income children is a vital *national* concern. Any school teacher or school nurse can testify to the obvious fact that there is a link between good food and good school work. Hungry children simply cannot learn their lessons as well as other healthy and alert children. The 19th Century French Statesman Danton once observed that "After bread, education is the first need of the people. . ." Danton accurately forecasted that as the modern day national state took form in the late nineteenth centry, two of the principal components of a strong nation would be *food* and *education*. In our own country, as early as 1893, food and education together became a focal point, for women's groups, trade unionists and civic groups who championed the use of public funds for school lunch and breakfast programs.[1]

As early as the early 1930's *federal* assistance in the form of staff was provided to local communities for the preparation and serving of school meals. Through the thirties and forties, the federal government commenced and then greatly expanded the purchase and distribution of surplus commodities to schools. The provision of foodstuffs to schools to assist them in educating our children became accepted national policy with the creation of the National School Lunch Program in 1946. Congress enacted legislation which stated that the policy of Congress was to provide assistance to schools for school lunch programs:

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[1] Reese, W. J., After Bread, Education: Nutrition and Urban School Children 1890-1920) *Teachers College Record* 81:496-525, 1980.

> as a measure of national security, to safeguard the health and well-being of the nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other food.2/

Indeed, one of the dramatic developments that led to the establishment of a national lunch program just after the war, was the large number of World War II draftees that had nutrition-related health problems which prevented them from serving in the military. A healthy, well-nourished citizenry was seen to be in the national interest.

Congress restated its support for the notion that children's nutritional needs do not vary from state to state when it enacted the Child Nutrition Act of 1966 establishing the School Breakfast Program. That Act was later amended to include the Child Care and Summer Food Programs, the N.E.T. Program, the Special Supplemental Food Program for Women, Infants and Children (WIC) and the Special Milk Program. The declaration of purpose for the Child Nutrition Act of 1966 is:

> In recognition of the demonstrated relationship between food and good nutrition and the capacity of children to develop and learn, based on the years of

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2/ 42U.S.C.§1751, as amended

CUMULATIVE SUCCESSFUL EXPERIENCE UNDER THE NATIONAL SCHOOL LUNCH PROGRAM WITH ITS SIGNIFICANT CONTRIBUTIONS IN THE FIELD OF APPLIED NUTRITION RESEARCH, IT IS HEREBY DECLARED TO BE THE POLICY OF CONGRESS THAT THESE EFFORTS SHALL BE EXTENDED, EXPANDED, AND STRENGTHENED UNDER THE AUTHORITY OF THE SECRETARY OF AGRICULTURE AS A MEASURE TO SAFEGUARD THE HEALTH AND WELL-BEING OF THE NATION'S CHILDREN, AND TO ENCOURAGE THE DOMESTIC CONSUMPTION OF AGRICULTURAL AND OTHER FOODS, BY ASSISTING STATES, THROUGH GRANTS-IN-AID AND OTHER MEANS, TO MEET MORE EFFECTIVELY THE NUTRITIONAL NEEDS OF OUR CHILDREN.

B. THERE IS A NEED FOR NATIONAL MINIMUM STANDARDS.

ELIGIBILITY

PRIOR TO 1970, LOCAL SCHOOL DISTRICTS ESTABLISHED THEIR OWN ELIGIBILITY STANDARDS WITHOUT ANY REQUIREMENT OR GUIDANCE FROM CONGRESS REGARDING A UNIFORM ACCEPTABLE MEASURE OF NEED. ACCORDING TO A COALITION OF WOMEN'S GROUPS, THIS LACK OF NATIONAL UNIFORM STANDARDS RESULTED IN 4 MILLION OF THE 6 MILLION CHILDREN FROM FAMILIES WITH INCOMES OF $2,000 OR LESS NOT GETTING FREE OR REDUCED-PRICE MEALS. THE REASON FOR THIS TRAGIC STATE OF AFFAIRS WAS THAT LOCAL SCHOOL DISTRICTS HAD SET WIDELY DIFFERING ELIGIBILITY STANDARDS. SINCE CHILDREN'S NUTRITIONAL NEEDS DO NOT VARY FROM STATE TO STATE, AND SINCE POOR CHILDREN HAVE A SPECIAL NEED FOR NUTRITIOUS MEALS, WHEREVER THEY MAY LIVE, CONGRESS SET FEDERAL INCOME STANDARDS FOR FREE AND REDUCED PRICE MEALS.

AS A DIRECT CONSEQUENCE OF HAVING NATIONAL UNIFORM INCOME ELIGIBILITY STANDARDS, THE PARTICIPATION OF NEEDY CHILDREN ROSE FROM FEWER THAN 3 MILLION IN 1970 TO NEARLY 12 MILLION CHILDREN TODAY.

SCHOOL LUNCH NUTRITIONAL REQUIREMENTS

THE PRINCIPAL NUTRITIONAL GOAL OF THE NATIONAL SCHOOL LUNCH PROGRAM IS TO PROVIDE CHILDREN, AT A MINIMUM, WITH ONE-THIRD OF THEIR RECOMMENDED DIETARY ALLOWANCES OVER TIME. THE U.S. DEPARTMENT OF AGRICULTURE HAS ESTABLISHED MEAL PATTERN REGULATIONS WHICH PROVIDE A FORMAT FOR HOW LOCAL SCHOOL LUNCH DIRECTORS CAN ACHIEVE THIS GOAL. MOREOVER, THOUGH SCHOOL LUNCH PROGRAMS DO NOT ALWAYS REACH THIS GOAL FOR EVERY NUTRIENT, THEY MAKE A SUBSTANTIAL CONTRIBUTION TO THE TOTAL DIETARY INTAKE OF NEEDY CHILDREN. WE KNOW, FOR EXAMPLE, THAT:

> SCHOOL LUNCH PARTICIPANTS FROM LOW INCOME HOUSEHOLDS DEPEND ON THE LUNCH PROGRAM FOR 34 TO 49 PERCENT OF THEIR DAYS' NUTRIENT INTAKE.3/

IF THERE WERE NO NATIONAL MINIMUM STANDARD OF ONE-THIRD OF RDA, THERE WOULD BE NO ASSURANCE THAT SCHOOLCHILDREN WOULD BE RECEIVING NUTRITIONALLY ADEQUATE LUNCHES.

LOCAL RESOURCES

SMALL SCHOOLS, RURAL SCHOOLS, AND SCHOOLS WITH LARGE NUMBERS OF POOR CHILDREN NEED FEDERAL EXPERTISE IN DETERMINING NUTRITIONAL STANDARDS AND ELIGIBILTY LEVELS.

3/ USDA, SEA THE NATIONAL SCHOOL LUNCH PROGRAM AND DIETS OF PARTICIPANTS FROM LOW INCOME HOUSEHOLDS, HYATTSVILLE, MD, CONSUMER NUTRITION CENTER, 1981.

C. SPECIAL GROUPS WITHIN THE POPULATION NEED FEDERAL PROTECTION BECAUSE OF DISCRIMINATION

THE CHILD NUTRITION PROGRAMS ARE ENTITLEMENTS AND AS SUCH ARE AVAILABLE TO SCHOOLS AND INSTITUTIONS THAT SERVE NATIVE AMERICANS AND MIGRANTS. THESE GROUPS HAVE SPECIAL NEEDS. AMERICAN INDIANS AND ALASKAN NATIVES ARE EXPOSED TO EXTREMES OF POVERTY, ILL HEALTH, AND MALNUTRITION. SOME STARK STATISTICS INCLUDE:

-- FORTY PERCENT OF RESERVATION INDIANS ARE LIVING BELOW THE POVERY LEVEL.

-- ON THE AVERAGE, THE RESERVATION INDIAN PAY 28 PERCENT MORE FOR FOOD THAN URBAN CONSUMERS.

-- INFANT MORTALITY AMONG NATIVE AMERICANS IS 22.4% HIGHER HIGHER THAN THE NATIONAL RATE.

-- THE PROPORTION OF WHITE MOUNTAIN APACHE CHILDREN WITH LOW VALUES FOR HEMOGLOBIN, PLASMA, IRON, VITAMIN A, AND ABSORBIC ACID HAS BEEN SHOWN TO BE TWO TO THREE TIMES GREATER THAN NATIONAL SURVEY OF PRESCHOOL CHILDREN.[4]

NATIVE AMERICANS HAVE AN ANNUAL FAMILY INCOME OF $2,900 (1980). THE ROSEBUD-SIOUX RESERVATION CURRENTLY HAS AN 83 PERCENT UNEMPLOYMENT RATE AND MANY OTHER RESERVATIONS RUN OVER 60 PERCENT UNEMPLOYMENT. (1982) MIGRANTS HAVE SIMILAR PROBLEMS OF POVERTY AND ILL HEALTH.

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[4] EXCERPT FROM SENATE SELECT COMMITTEE ON NUTRITION AND HUMAN NEEDS PASELOS NUTRITION AND SPECIAL GROUP (1974).

If new federalism is implemented as currently proposed, funding for special groups at the state level will be in jeopardy. The new federalism proposal assumes an adequate funding base at the state level. However, many rural states with special population groups are unprepared and in some cases unwilling to fund programs for special groups. Since migrant populations are by definition mobile, and reservations are largely rural, states would have to spend more dollars for needed services for these groups as opposed to others. Also, many western states have in the past claimed that they should not be required to give services to Native Americans since they claim independent sovereign status, and that services to migrants should be limited to their state of origin or their state of destination. Migrants get caught in a "Catch 22" with states of destination arguing that states of origin are responsible for social benefit programs and states of origin arguing the reverse.

An example of how special groups need federal protection is found in the experience of last year's Community Services Block Grant. In previous years Indian tribes either received direct grants from the federal Community Services' Administration (CSA) for anti-poverty work (health, work experience or social services) or special set aside grants under the Community Food and Nutrition Program (also part of C.S.A.). This year under the Community Services Block Grant, the states of Florida, Georgia, Maryland, New Hampshire, Pennsylvania, Tennessee and Virginia allocated no Community Services Block Grant funds for serving Native Americans in their states . (Indians residing in all of these states with the exception of Florida are ineligible for services available through the Bureau of Indian Affairs. Thus, loss of C.S.A. funds in those communities is especially critical.)

III. Are States in a Position to Accept Responsibility For the Turnback of Child Nutrition Programs

THE CHILD NUTRITION PROGRAMS WHICH WOULD BE RETURNED TO THE STATES UNDER NEW FEDERALISM TOTAL $3.2 BILLION IN FY 1982. STATES COULD RECEIVE SOME FUNDS FROM THE TRUST FUND THROUGH FY 1988, BUT IT IS UNKNOWN WHAT HAPPENS AFTER THAT YEAR WHEN FEDERAL FUNDS BEGIN TO BE PHASED OUT. THERE IS AN INCREASING AWARENESS THAT STATES WILL FIND IT QUITE DIFFICULT TO ESTIMATE THE TOTAL MAGNITUDE OF THE IMPACT OF THE WITHDRAWAL OF FEDERAL FUNDS ON THE STATES AS A RESULT OF THE ADMINISTRATIONS FEDERALISMS APPROACH. JULE M. SUGARMAN, MANAGING DIRECTOR OF THE HUMAN SERVICES INFORMATION CENTER, ATTEMPTED TO ASSESS THIS IMPACT IN A PAPER PRESENTED AT THE BROOKINGS INSTITUTION. IN MAKING HIS ANALYSIS SUGARMAN SELECTED FIVE INCOME MAINTENANCE PROGRAMS: PUBLIC ASSISTANCE, FOOD STAMPS, MEDICCAID, LOW INCOME ENERGY ASSISTANCE, AND CETA, PLUS TWENTY TWO SERVICE PROGRAMS WITH THE HIGHEST EXPENDITURE LEVELS (EDUCATION, HEALTH, SOCIAL SERVICES, REHABILITATION AND COMMUNITY SERVICES). SUGARMAN WANTED TO KNOW WHAT IT WOULD COST STATES TO FIND REVENUES IN 1980 TO REPLACE THESE FEDERAL FUNDS. HIS STUDY LOOKED AT FERERAL GRANT DATA IN 24 STATES. SUGARMAN USED STATE SALES TAX IN HIS ANALYSIS, ALTHOUGH HE COULD HAVE USED STATE INCOME/CORPORATE TAX OR ALCOHOL& TOBACCO OR MOTOR FUELS TAXES. HE NOTED THAT IF THE STATES SURVEYED WANTED TO REPLACE 1980 FEDERAL FUNDS FOR MAJOR HUMAN SERVICES BASED ON 1979 REVENUES, THEY WOULD HAVE TO INCREASE ONE OF THESE STATE TAXES AS FOLLOWS:

Sales Tax - 120%
Motor Fuels - 369%
Alcohol & Tobacco - 655%
Personal Income - 120%
Corporate Income - 327%[5]

It is becoming increasingly clear that to fully implement new federalism sates will have to either raise taxes dramatically or cut services severely or both. States currently receive most revenues from sales and gross receipts taxes (see chart 1), the most regressive type of tax since it so adversely impacts on the poor. The other likely choice of taxation is the corporate income tax which many states are reluctant to increase since they have for years attracted new industry by offering "low corporate taxation". The Governors have not reached any consensus on new federalism in part because they lack information on the scope and impact of this proposal but they are also aware that federal aid as a percentage of total receipts of state and local governments has, prior to new federalism declined from a high of 31.7% in 1980 to 24.0% in 1982. New federalism offers the states higher taxes and fewer services, and therefore, is a very unappealing proposal.

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[5] Sugarman, State Reaction to Changes in Human Services Programs. Brookings Institution, 10-28, 1981.

There are a few "missing pieces" of information on new federalism as it relates to child nutrition programs which will also affect states ability to finance these programs. Robert Greenstein, director of the Center on Budget and Policy Priorities has reviewed several such important issues in his paper: *Impacts on States of Assuming Fiscal Responsibilities for Selected 'Turnback' Programs*." One of the interesting points highlighted by Mr. Greenstein is the fact that the *entitlement status*, whereby federal funds are increased for any school or institution that has a rise in eligible participants (particularly helpful during recession), and the *indexing* provision which provides increases in federal funds to reflect increases in the cost of food over the previous year, *would be lost under new federalism*. These provisions alone would add as much as a billion dollars to the states between FY 1982 and FY 1985. New federalism eliminates entitlement status and indexing. Another "surprise" to the Governors, according to Mr. Greenstein, is that the Office of Management and Budget rejected USDA estimates of the numbers of child nutrition meals that will be served in future years, and substituted its own estimates, apparently to make the costs of these programs appear lower. Greenstein noted that OMB figures were rejected by the Congressional Budget Office which projects that child nutrition programs will actually cost $400 million more by FY 1987 than the OMB projection. It is the OMB figures upon which the new federalism proposal in child nutrition is based.

Turning away from whether states have the resources to accept the "turnback" of child nutrition proposals, let's take a look at their immediate past performance on replacing program benefits or services which

Congress eliminated in the Omnibus Budget and Reconciliation Act of 1981. Child Nutrition programs were cut by $1.5 billion. What has happened in the states?

One of the major cuts in the Child Care Food Program (CCFP) was the elimination of two of the five meal types. Day care centers and homes are now only allowed to serve a maximum of 2 meals and 1 supplement. According to a survey of sixty three CCFP sponsors, by the California Rural Legal Services, these cuts have resulted in hungrier children, increased fees to parents, and some program dropouts. One of the sponsors, Mission Child Care Consortium reported that:

> The children enrolled in our program were accustomed to eating two snacks daily - that was part of the routine-.... since we faced this problem of one snack, the children have not forgotten, as they go hungry for some time between meals.

This story is repeated everywhere. Soon high quality, low cost day care, which is the single most important factor in allowing parents to work, will simply be unavailable because the food subsidy, which made it possible, is now too small.

School lunch programs were cut by $1 billion and recent USDA figures indicate that as many as 3.4 million children (including 1.4 million low income children) are no longer participating in the lunch program. As many as 500,000 (75% of them needy children) of the 3.5 million in the school breakfast program have dropped out. These startling drop out figures, which OMB assured this committee would never occur, were reconfirmed recently in a study which FRAC conducted with support from the Commonwealth Fund. This study, The Impact of

Child Nutrition Budget Cuts: A Look at the States and Selected Districts, found that:

> Sixty-one percent of the state agencies which responded reported over 10% drop in student participation in school lunch.(One third were low income.) Sixty-nine percent of the states responding had drops in student participation in School Breakfast of over 10%,(two-thirds of which were low income.) (44 state directors responded to the survey).

These dropouts occurred despite creative and extensive attempts by state and local school lunch directors to maintain participation levels. The directors felt that participation drops were due to"decreased federal reimbursement" accompanied by an increased price to the paying student. As part of its study, FRAC was able to determine that the average price for a paid school lunch increased by 16.3 cents- - from 63.5 cents (1980-81 school year) to 79.8 cents (1981-1982 school year).

Under the new federalism proposal, one is led to believe that states would simply use their revenues to pick up these programs, once the federal trust funds are exhausted. The FRAC study suggests that this conclusion is shaky at best. In 17 of the 44 states serveyed, the state provided funds to support the School Lunch Program in 1980-1981 beyond what is required by the National School Lunch Act. This figure dropped

TO 13 IN 1981-1982. (SEE ATTACHED CHART 3 FOR A MORE DETAILED ACCOUNT OF STATE FINANCIAL SUPPORT FOR SCHOOL LUNCH.)

IT IS CLEAR THAT THE BUDGET CUTS IN CHILD NUTRITION ARE RESPONSIBLE FOR A SUBSTANTIAL DECLINE IN PARTICIPATION, AND THAT STATES HAVE BEEN UNABLE FINANCIALLY TO FILL THE FUNDING VOID.

IV. THE CHILD NUTRITION PROGRAMS HAVE DRAMATICALLY REDUCED HUNGER AND MALNUTRITION IN THE COUNTRY

THE FEDERAL FOOD PROGRAMS HAVE WORKED AND WORKED WELL. AS GEORGE MCGOVERN ONCE STATED:

> NUTRITION PROGRAMS ESTABLISHED IN THE LAST 10 YEARS HAVE PROBABLY BEEN THE MOST IMPRESSIVE SUCCESS STORY IN GOVERNMENT.
>
> -SENATOR GEORGE MCGOVERN, FORMER CHAIRMAN,
> SLECT COMMITTEE ON NUTRITION AND HUMAN NEEDS
> AND FORMER CHAIRMAN,THE NUTRITION SUBCOMMITTEE OF THE SENATE AGRICULTURE COMMITTEE

SENATOR MCGOVERN MADE THIS COMMENT IN A FLOOR DEBATE SUCCESSFULLY ARGUING AGAINST A SIX STATE PILOT CHILD NUTRITION BLOCK GRANT WHICH HE FELT WOULD HAVE UNDERMINE THE PREVIOUS SUCCESS OF THESE PROGRAMS.

IN 1967, A FIELD FOUNDATION SPONSORED MEDICAL RESEARCH TEAM REPORTED ON WIDESPREAD HUNGER AND MALNUTRITION AMONG POOR CHILDREN IN MISSISSIPPI. TEN YEARS LATER A LARGER HEALTH TEAM DID A MORE EXTENSIVE STUDY AND FOUND

THAT WHILE THE EVERYDAY LIFE OF AMERICANS LIVING IN POVERTY HAD REMAIND AS DARK OR DARKER THAN 10 YEARS EARLIER, THAT THERE WAS A DIFFERENCE IN THE AREA OF FOOD.

> THE FOOD STAMP PROGRAM, THE NUTRITIONAL COMPONENT OF HEAD START, SCHOOL LUNCH AND BREAKFAST PROGRAMS, AND TO A LESSER EXTENT THE WOMEN, INFANTS AND CHILDREN FEEDING PROGRAMS HAVE MADE THE DIFFERENCE.
> (NICK KOTZ. HUNGER IN AMERICA: THE FEDERAL RESPONSE, 1979.)

CONSIDER THE FOLLOWING FACTS:

o OVER 23 MILLION CHILDREN RECEIVE A LUNCH AT SCHOOL DAILY AND AT LEAST 12 MILLION OF THESE CHILDREN RECEIVE FROM 34 TO 49% OF THEIR DAILY NUTRIENTS THROUGH THE NATIONAL SCHOOL LUNCH PROGRAM.(NSLP)

o THE CONGRESSIONAL BUDGET OFFICE HAS REPORTED THAT PARTICIPATION IN THE SCHOOL BREAKFAST PROGRAM RESULTS IN IMPROVED DIETS FOR ALL CHILDREN REGARDLESS OF INCOME. ALSO THE PROGRAM'S COST EFFECTIVENESS IS HIGH ACCORDING TO CBO.

o THE ABT ASSOCIATES EVALUATION OF THE CHILD CARE FOOD PROGRAM (CCFP) FOUND THAT CHILDREN WHO PARTICIPATED IN CCFP WERE MORE LIKELY TO CONSUME A GREATER VARIETY OF FOODS AND MORE NUTRITIOUS MEALS THAN CHILDREN WHO DID NOT PARTICIPATE IN THE PROGRAM. (PARTICIPANTS CONSUMED MORE FRUITS, VEGETABLES, AND WHOLE GRAINS THAN NON-PARTICIPANTS.)

- A recent evaluation of the Nutrition Education and Training (N.E.T.) Program by USDA found that the N.E.T. programs in Georgia and Nebraska demonstrated unequivocal positive program effects on student nutrition knowledge (USDA, May, 1982).
- According to FRAC's study concerning the impact of child nutrition budget cuts on selected school districts, children who ate school lunches were much more likely to consume milk, a fruit, and a vegetable than students who attented schools that had dropped the NSLP. Since these three foods are major sources of essential nutrients, the school lunch eaters are probably getting more of their nutritional needs fulilled by eating lunch than those children without a NSLP.

V. Who Are the State and Local Officials Who Want Child Nutrition Programs Returned to the State?

Consider the following points:

- State child nutrition directors attending the annual Federal-State Partnership meeting in January 1982 in Brownsville, Texas, while not directly mentioning "new federalism," adopted a resolution opposing block grants and promising to work to support all present child nutrition programs. These officials stated that child nutrition should not be used as a political football harming the health and well-being of the nation's children. The directors passed a resolution stating that the programs should remain at the federal level.
- The National PTA, representing millions of parents, supports H. Con. Res. 384.

- THE 60,000 MEMBER AMERICAN SCHOOL FOOD SERVICE ASSOCIATION, WHICH REPRESENTS LOCAL AND STATE SCHOOL LUNCH OFFICIALS, IS OPPOSED TO INCLUDING CHILD NUTRITION PROGRAMS IN NEW FEDERALISM.

- THE COALITION ON BLOCK GRANTS AND HUMAN NEEDS SUPPORTS H. CON. RES. 384.

- ON BEHALF OF LOWER INCOME PARTICIPANTS, THE NATIONAL ANTI- HUNGER COALITION URGES THE DELETION OF CHILD NUTRITION PROGRAMS FROM NEW FEDERALISM.

- THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, WHICH HAS 40,000 MEMBERS EMPLOYED IN SCHOOL MEALS PROGRAMS, DOES NOT SUPPORT THE INCLUSION OF CHILD NUTRITION PROGRAMS IN NEW FEDERALISM.

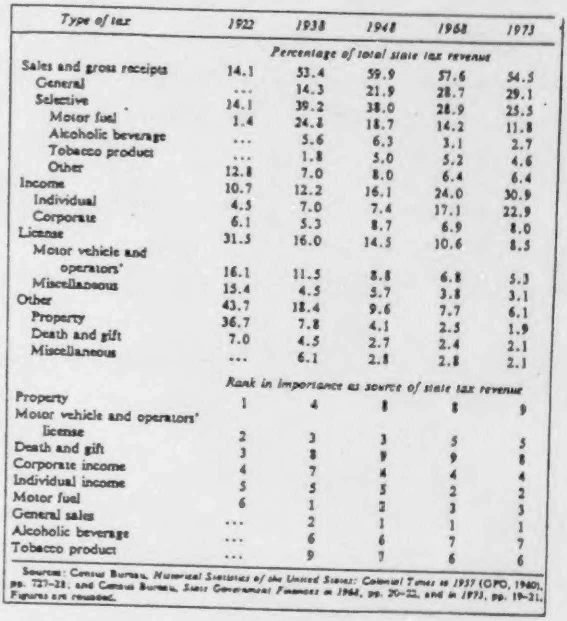
- THE AMERICAN DIETETIC ASSOCIATION WITH 50,000 REGISTERED DIETICIANS AND NUTRITIONISTS HAS A BOARD RESOLUTION WHICH SUPPORTS H. CON. RES. 384.

ALL OF THESE GROUPS HAVE EXPERIENCE IN THE OPERATION OF CHILD NUTRITION PROGRAMS. WHILE SOME OF THESE INDIVIDUALS HAVE A FINANCIAL INTEREST IN THE CONTINUATION OF THESE PROGRAMS, THE COMMON THREAD OF INTEREST FOR ALL GROUPS IS THAT THEY CARE ABOUT KIDS AND UNDERSTAND THAT ADEQUATE NUTRITION IS ESSENTIAL FOR THEIR GROWTH, HEALTH, AND INTELLECTUAL AND SOCIAL DEVELOPMENT. THEY KNOW THAT ALL STATES DO NOT HAVE ADEQUATE RESOURCES TO FINANCE THE VITAL AND NECESSARY CHILD NUTRITION PROGRAMS.

WE HAVE BEEN TOLD THAT STATE AND LOCAL OFFICIALS AND COMMUNITY GROUPS WILL BENEFIT FROM NEW FEDERALISM. YET, AS WE HAVE SEEN TODAY, THEY REJECT IT. THE INCLUSION OF CHILD NUTRITION PROGRAMS IN NEW FEDERALISM IS AN UNNEEDED AND UNWANTED CONCEPT. AS THE FAMOUS AUTHOR OF DETECTIVE NOVELS, RAYMOND CHANDLER, WOULD SAY IF HE WERE HERE: "THIS PROPOSAL IS READY FOR THE BIG SLEEP."

Chart 1

Percentage Distribution and Rank,* of Major Sources of State Tax Collections, 1922, 1938, 1948, 1968, and 1973



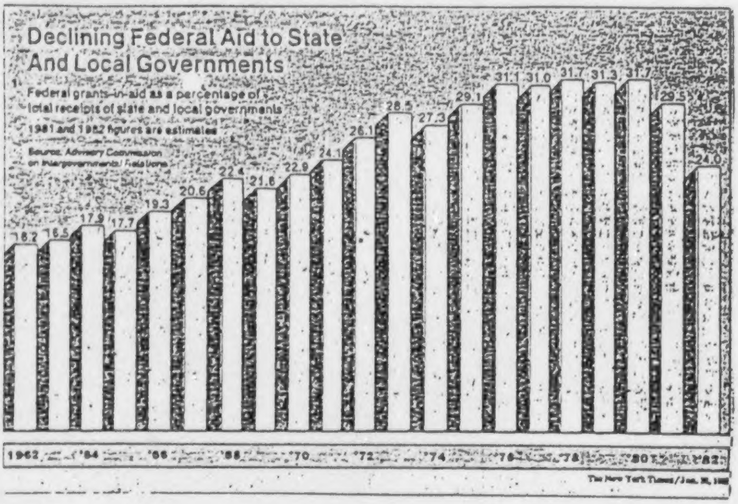
Type of tax	*1922*	*1938*	*1948*	*1968*	*1973*
	Percentage of total state tax revenue				
Sales and gross receipts	14.1	53.4	59.9	57.6	54.5
General	...	14.3	21.9	28.7	29.1
Selective	14.1	39.2	38.0	28.9	25.5
Motor fuel	1.4	24.8	18.7	14.2	11.8
Alcoholic beverage	...	5.6	6.3	3.1	2.7
Tobacco product	...	1.8	5.0	5.2	4.6
Other	12.8	7.0	8.0	6.4	6.4
Income	10.7	12.2	16.1	24.0	30.9
Individual	4.5	7.0	7.4	17.1	22.9
Corporate	6.1	5.3	8.7	6.9	8.0
License	31.5	16.0	14.5	10.6	8.5
Motor vehicle and operators'	16.1	11.5	8.8	6.8	5.3
Miscellaneous	15.4	4.5	5.7	3.8	3.1
Other	43.7	18.4	9.6	7.7	6.1
Property	36.7	7.8	4.1	2.5	1.9
Death and gift	7.0	4.5	2.7	2.4	2.1
Miscellaneous	...	6.1	2.8	2.8	2.1
	Rank in importance as source of state tax revenue				
Property	1	4	8	8	9
Motor vehicle and operators' license	2	3	3	5	5
Death and gift	3	8	9	9	8
Corporate income	4	7	4	4	4
Individual income	5	5	5	2	2
Motor fuel	6	1	2	3	3
General sales	...	2	1	1	1
Alcoholic beverage	...	6	6	7	7
Tobacco product	...	9	7	6	6

Sources: Census Bureau, *Historical Statistics of the United States: Colonial Times to 1957* (GPO, 1960), pp. 727–28, and Census Bureau, *State Government Finances in 1968*, pp. 20–22, and *in 1973*, pp. 19–21. Figures are rounded.

* (Reprinted from Maxwell and Aronson, FINANCING STATE AND LOCAL GOVERNMENTS, Studies of Government Finance, The Brookings Institution: Washington, D.C., 1977 at p.42).

Chart 2

Declining Federal Aid to State And Local Governments*



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* (Source: Advisory Commission on Intergovernmental Relations, as reprinted in the January 20, 1982 NEW YORK TIMES).

CHART 3

State Financial Support for the School Lunch Program

In 17 of the 44 states surveyed, the state provided funds to support the School Lunch Program in 1980-1981, beyond what is required by the National School Lunch Act. This dropped to 13 in 1981-1982. The kinds of support states provided in both school years are listed below:

State	1980-1981	1981-1982
Alaska	Replaced 1/3 of federal loss that year	State dropped support
California	8.18¢/lunch	8.67¢/free or reduced price lunch
Delaware	Salaries of local supervisors and 25% of other staff salaries ($1.6 million)	Same as 1980-81
Georgia	10¢/lunch	Same as 1980-81
Hawaii	State supports, but no response given to this question	
Louisiana	9¢/lunch	State dropped support
Maryland	16¢/free or reduced price lunch	Same as 1980-81
Michigan	5¢/free lunch; 2¢/reduced price lunch	State dropped support
Minnesota	5.3¢/paid lunch	5.5¢/paid lunch
Nevada	3¢/lunch ($360,000)	Same as 1980-81
New Jersey	8.4¢/free or reduced price meal; 6¢ for all meals	8.4¢/free or reduced price meal; 6¢ for all private school meals; 3.3¢ for all public school meals

Pennsylvania	3¢/breakfast	State dropped support
Rhode Island	Subsidized by state to make up difference between federal funds and children's payments	Same as 1980-81
South Carolina	Financial help for paying food service personnel	Same as 1980-1981
Utah	12.8¢/lunch	Percentage of liquor tax goes to the School Lunch Program
Washington	State provides support but no response given to this question	
West Virginia	Partial payment of labor	Same as 1980-81

Mr. KILDEE. Thank you very much for your testimony, Mr. Cooney.

I was reading through some testimony given to this committee last March and for the record, again, Mr. Ratchford questioned Secretary Block.

> Mr. RATCHFORD. Mr. Secretary, I guess I don't have to ask you, if you had the decision to make would you continue the national school lunch program?
>
> Secretary BLOCK. If I had the decision to make I would turn it back to the States.
>
> Mr. RATCHFORD. Really?
>
> Secretary BLOCK. Yes, sir.

I think it is always better to add things that are preventive in nature rather than recuperative, but I think if we were ever to lose Federal concern and involvement in these programs, it would be difficult to restore those programs.

Also if the New Federalism had been put into place, say, 10 years ago and were in place today, I shudder to think what the State of Michigan would be doing in this program. The State of Michigan is a financial basketcase and it would not be able to adequately address itself to those nutritional needs.

Let me quote another well-known person in our history, Richard Nixon, who said:

> Nourishment is a national concern because we are a nation that cares about its people. A child ill fed is dulled in curiosity, lower in stamina, distracted from learning.

He recognized there was a national concern and he did support this program.

We find a different philosophy. Not a Democrat nor a Republican philosophy in the White House, but a quite different philosophy because these programs have been kept going and improved under administrations of both of the major parties.

We find a threat that is not partisan in nature but is philosophical in nature. I think under the flag of fiscal integrity there is flying a strong philosophical flag, and that philosophical flag is one that we have to watch very carefully because many of these programs that have been set up because there are national concerns and there is a better national response to the national concerns are being threatened by this philosophical view, which is strong, in OMB, probably stronger than even in the White House, where it is prevailing in the White House.

So I think these hearings are a preventative and we hope that they will stay that way rather than having future hearings which are recuperative in nature.

Mr. COONEY. I think Secretary Block is probably caught between varying views. Due to the leadership of the American School Food Service Association and their representative, I think the Secretary has moved, in terms of his permanent support, for the national school lunch program. I know that New Federalism is a popular issue in OMB, and with some members of the White House, and the leadership, but I would like to suggest that I think the Secretary's position has moved and we hope that it will move all the way toward turning that around. I know he is not free to say that at different times and would probably be alarmed to hear the Food Research Action Center was saying something positive about the Department, but I did want that to be a part of the record.

Mr. KILDEE. I am encouraged by that. I think when people begin to sit a little longer on that side of the desk where there is responsibility for certain nutrition programs, that then they perhaps begin to ignore just one source of information, OMB, and begin to get other sources of information. It is encouraging to know you feel Secretary Block is modifying his position.

Some 1,500 schools and 3.4 million children have now dropped out of the school lunch program because of last year's $1.5 billion budget cuts. Can you tell us what type of lunch service is now available in these schools and what are poor children eating in place of their hot school lunches?

Mrs. WHITE. Mr. Chairman, I would like to start addressing that question. We have much concern about the people who have dropped out. In terms of schools themselves and on the national school lunch program, it appears some of them are still having some sort of fast-food type operation. In most of these cases there are no nutritional standards and there are no free or reduced price meals for the needy child. So the net result is really an abdication of our caring for all the children in that school and particularly for the needy child, so we have much concern about that.

Mr. KILDEE. Are there comments from any other panalists?

Under the New Federalism plan more than 35 education and social programs would be turned back to the States and when they are turned back many of those programs will be competing for the same State dollar. You turn one back, the one seeks funding but when all are turned back they in turn compete with one another in that turnback. With limited funds what modification of this lunch program do you envision in States and how will those modifications affect needy children.

Ms. PICCIANO-HANSON. One thing that will happen is all of the child nutrition programs will also be competing for funds. It won't be that they will all be competing with other programs. I think it is important to remember that it is possible that child-care feeding, and some are feeding, will lose out in that shuffle.

We also have found that States have used the option in transferring funds from one program to the other, as the low-income energy-assistance program is an extremely important program, especially in the Northern and Midwestern States, and these funds have been moved out of that program to various social services programs. Probably the programs that are more well established and have a constituency might fare better than some of the newer programs, some of those that are less well established, but certainly there is going to have to be some cuts, probably in most programs, and the lunch program would be among them.

Mr. KILDEE. Any other programs?

Mr. COONEY. I would just suggest that one of the programs that Mr. Goodling referred to, the summer food program, a program which I am personally very fond of and close to as well, and that does not enjoy a political constituency. I frequently have indicated that a number of sponsors of the summer food program in Congress could comfortably fit into a very small pay telephone booth.

Mr. Goodling has taken the leadership on that with Chairman Perkins, and Senator Dixon from Illinois on the Senate side. If you are competing for a program like that at the local level it is going to be very difficult to receive funds and I suggest that two of the programs that are most in need by low-income Americans are not those too frequently mentioned, but those are the family day-care part of the child-care program and things like Meals on Wheels for the elderly. Vital, important, necessary programs.

It is very difficult to shake the funds out at the State level. When you wake up one day and find out 35 percent of the money is gone, that they didn't tell you indexing and entitlement status is not going to be relevant to your programs, or if it is you are going to have to pay for it, it is just too few dollars for too many needs.

Mr. KILDEE. Since the Federal Government is the only agency in this country that can control both monetary and fiscal policies, it is therefore the one agency that can respond to the low points in our cyclical economy. We do have a cyclical economy. So I was going to ask what would happen in the poorest States if these programs were to be turned over. But since I come from a State that traditionally is not one of the poorest States but because it is really in the low point of the cyclical economy now, even a State like Michigan would be unable to respond.

So what type of programs do you think we would have—take a State that is traditionally more poor, and a State like Michigan which is traditionally one that has been more affluent but is caught in this down cycle—now what type programs—do you think they will be able to respond, even to the level they were responding 20 years ago in times like this, if these programs are turned back? Put it in that timeframe.

Ms. Picciano-Hanson. I have a little information on the State of Michigan right now, the state of the economy, and in 1982 they reduced the budget by more than $559 million and also had a temporary 6-month 1-percent increase in income tax and are still facing shortfalls. They decided that they wouldn't restrict welfare eligibility and then ended up with $266 million of unexpected expenditures in that area.

They did not replace the lost revenue for lost funds in higher education, but later decided they will do that for 1983. They are going to have some very difficult decisions to make between what do you do—shall we take care of unemployed first? shall we take care of the children? shall we take care of educational needs? There is a strong constituency in the State of Michigan for education. What do we do about the poor? And I think there would have to be some very tough decisions. There is also an initiative in the fall 1982 proposing a 75-percent reduction in property taxes levied for schools and a bunch of amendments that require aid to local governments that does not fall below 41.6 percent of the State budget. I think that means it is going to be very difficult to find any additional funds for programs like school lunch, child-care feeding, and so forth, and it is very likely that they will just have to deal with much lower levels of funding.

It seems like Michigan might be a State that would try to keep a little bit of everything going. That would be my answer for Michigan.

Mr. Kildee. One of the problems in either a poor State or a State that is in that low point of a cycle, economic cycle, is that the very time when the needs become the greatest, because people are unemployed, traditional needs remain constant but the needs of the individual are lowered when they are unemployed as to where the need for some type of nutritional program offered by government becomes the greatest, the revenues at that time are the least so they are caught in a terrible squeeze.

It is a reality that I don't think Dave Stockman recognizes. That the State of Michigan has the greatest needs ever to feed not just children but to help feed other people and yet their revenues have been savaged because of the downturn in the economy.

One other point about Michigan. We heard from the Archdiocese of Detroit, Archbishop Tolsta, noting this was at least a 100-percent increase in requests for Federal assistance in every social agency in the diocese. One emergency food center now feeds 1,000 people a day. A lot of the additional need for assistance will fall to the churches which are already overburdened at this time.

Mr. Kildee. There is a church-related center in Flint, Mich., where from time to time they have had to put up a sign and say, "Come back the first of the month," when they would have some money to provide sandwiches.

The private sector has been trying to fill in but they are overwhelmed by the demand and the need right now.

Mr. Cooney. I would just add the school lunch program is designed to help people during recession times. There are provisions built into the act. That is what the entitlement status does. The same is true in food stamps. When you have high periods in unemployment, participation goes up. When they go down so does participation.

Mr. KILDEE. Mr. Craig, have you questions?

Mr. CRAIG. Thank you very much, Congressman Kildee.

I would like to ask unanimous consent that the record be held open for 1 month. There are several other groups who want input into the record as it relates to this resolution.

Mr. KILDEE. We will hold the record open for 30 days.

Mr. CRAIG. Just one short question of concern to me because I took a very active interest in some adjustments in changes in the school lunch program last year and some changes in regulation and went out to view a variety of programs and see how they were working.

I believe it was you, Mrs. White, who told us there are now about 3.4 million who were being fed but are not currently being fed. I believe Mr. Cooney then mentioned that of the 3.4, about 1.4 were on the free and/or reduced price lunch status.

Mr. COONEY. Yes.

Mr. CRAIG. I also know that a lot of private schools with tuitions of $1,500 or more were eliminated from the program. What are your figures in the total number that qualify in that $1,500 tuition level? I am not disputing your figures, but I don't think we can use them in a generic sense without bringing them down to show what the reality is. I ask you that question. I am also concerned with how many schools in relatively wealthy suburbs do we find the school lunch program being eliminated where there were little or no free or reduced price lunches being offered.

Mrs. WHITE. Let me try to respond to that. In terms of the elimination of programs in the wealthy suburbs I don't have any hard data on that nationwide or within my State. I do know that in California we have no school district that does not have some needy children. Recently I was asked in a legislative hearing about Beverly Hills. Why would people in Beverly Hills have people in the free or reduced price meal program. We researched that and found the maids and servants have children in that school district and the wealthy people are not paying their help enough to feed their children. So it is not necessarily a matter of the affluence of the community relating to the number of needy children, although that often is a factor.

I think one of the concerns that I have speaking from the standpoint of a nutritionist and a State director is the change in philosophy as it is going to affect the State's attitude about child nutrition, if indeed the Federal Government should pull out. I don't see within my State or any other State that I have become familiar with, that there would be an incentive to carry on the programs.

In other words, if the Federal Government bails out, why should the States pick it up. You know, are we sending a signal to the States it is no longer a matter of concern and no longer a national priority.

In my judgment, as has been said many times this morning, the need is greater today than it has ever been, and the great need is not only for the child from the low-income family but from the marginal income family, the one who is buying his meal but is just barely able to do so. The child who we want to keep buying their meal and not be a free client. The concern I have is the breakdown of the national network in child nutrition that has worked so well and our need to keep that alive particularly at this time when the economy is in such a state of flux.

Mr. COONEY. We will make available a State-by-State breakdown so that you can have it for the 44 States in which we have it and Idaho and Michigan are among the States that responded, but to answer your question I should have made it clear that, one, a lot of private schools did drop out but there is not a significant number of students in those schools who are reflected in the 3.5 million and the reason is that most of those students dropped out of school programs that continue to have the school lunch program.

These are just simply missing students and the reason they are missing is that the price has gone up that they have had to pay. There are a number of other factors in that but you will see in these charts how many schools are private and how many schools are public and the number of students in each of those schools.

I think your question is good because it sorts out that vague area.

Mr. CRAIG. I think that is what we need to do and I think this whole committee is very concerned about seeing the reaction of what we did a year ago and how it plays out over a period of time. Are we seeing some of those students whose parents simply reacted by saying, "Well, that school lunch isn't worth that kind of money. We are not going to buy it anymore," when they are very capable of paying, and now having their students come back on. Or the mothers of a middle income program saying, "I can fix you a brown bag lunch that is nutritious for a little less money than that."

I know that attitude did exist out there. I know the offsetting factors and the problems which result when you have that attitude as it relates to the free and reduced cost lunch program and the pressure it puts on the total lunch program in the school system.

I believe we want to make sure what we did was right. Are there now some adjustments or changes we can make to correct the problems, still offer the flexibility, and get away from the kind of regulations which were tying down local programs and making them terribly inefficient when efficiency could be offered that would result in savings at a time of budget concerns along with continuing an excellent program?

If your group could provide us with that, I think it is awfully important that we look at it with a microscope instead of with field glasses. We often have that problem here. It is awfully nice to posture ourselves in a very general, benevolent human way. We all like to have ourselves appear to be that, but at the same time, we have a responsibility to make sure the programs function efficiently and effectively for as little money as possible to serve these nutrition needs. I think that is clearly a concern of all of us.

Mr. COONEY. Dan Wisotsky, who was last year's chairman of the State director's unit of the American School Food Service Association also has some statistics and Louise Frolick, also of the American Food Service Association, is conducting her own study and I think that through these you might spot some of the information, but what happens here is a conflict of goals.

David Stockman comes to the committee, he is certainly an honest person, but he makes a strong policy statement that children are not going to be hurt by these cuts, they are not going to drop out. Next year we find 3½ million children missing.

One question is, If the cuts were from the paying student, why do we see a third of those kids dropping out to the low income? It doesn't follow logically. I think you have a conflicting policy because you say: We want to toughen up on eligibility, we want to do the right thing in terms of making sure that everybody gets the right benefits.

So the USDA interprets that in a different way and they come out with a warning statement that basically says, "You are going to dc hard time if you want to get $120 out of the national school lunch program." The warning notices on school lunch are of such a nature that I am not sure that anyone other than an experienced felon would want to sign that particular document.

So you conflict with the need to get the information to protect, the Government expenditure of money, with poor people who don't have all the access to the sophisticated literacy skills and—I saw a bumper sticker which said, "If you want to overcome illiteracy, write to us for information." I mean that kind of conflicting policy is unfortunate.

People don't sit down and say, "How can I defraud the Federal Government because John or Jane wants a school lunch?"

At some point we have to take a balancing approach, we do the best we can. We have a great deal of faith—as a former postal employee, people always complain about the post office. I worked the dog shift from 5:30 to 12 and the mail got out every day. It was hope and faith and a lot of hussle. We trust the mail. We put it in the box, it comes out.

We may have to do something like that in the school lunch which is what we used to do in the past. I am not saying there are not problems. We have to look at meal quality, we have to look at all of these items and the final solution is going to be the highest quality lunch at the lowest price that is going to make this program go and we think if we work together on that we can accomplish that.

Mr. Craig. I thank you for that statement. I am one who never fears turning a program upside down and shaking it a couple of times to force people who are in the program to look in the mirror to make sure they are doing their jobs right.

We have had a tendancy, I think, over a period of time to decide that the way to solve the problem was just to add more on to the program. If $1 wouldn't work, $5 would surely take care of it.

We are no longer, I hope, going to continue that process in Government. As we turn things upside down and shake them, I hope you are going to be there with us to make sure the good things shake out and get back to where they ought to be, and that the bad things get recognized for what they are so we can eliminate them if necessary.

Thank you very much, Mr. Chairman.

Mr. Kildee. Thank you, Mr. Craig.

Mr. Cooney, the data you referred to in responding to Mr. Craig, if you will supply that to us, we will make it a part of the record.

[The information referred to follows:]

The Impact of Child Nutrition Budget Cuts: A Look at the States and Selected School Districts

Executive Summary

School Nutrition Programs

Both the National School Lunch Program (begun in 1946) and the School Breakfast Program (initiated as a pilot program in 1966) had a common origin — concern about the health of school children. With the outbreak of World War II, the United States discovered that many draftees had nutrition-related health problems which prevented them from serving in the military. Congress sought to avoid similar problems in the future through the enactment of the National School Lunch Act. The School Breakfast Program grew out of Congressional concern for poor children who came to school hungry and children who had to travel long distances to school. In 1975 when Congress made School Breakfast a permanent program, it stated that the Program should be made available to all schools where a school breakfast was needed to provide adequate nutrition.

Operations

Both programs are run by the Food and Nutrition Service of the U.S. Department of Agriculture (USDA) and its regional offices. State departments of education administer the program through school boards in local school districts. Schools are reimbursed by USDA for all lunches and breakfasts, based on family size and income — free and reduced-price meals for lower income children and "paid" meals for higher income children. Schools are required to serve particular kinds and amounts of food in order to be reimbursed.

Participation Levels

Until recently School Lunch and Breakfast Program participation was steadily increasing. More than 90 percent of the nation's schools were participating in the Lunch Program and about one-third were participating in the Breakfast Program. Twenty-six million children ate school lunches (half of them from low income families) and 4 million ate school breakfasts, 86 percent of them children from families with incomes below 130 percent of the poverty line.

Budget Cuts

During the 1981 legislative session (which set budget levels for fiscal year 1982), severe and unprecedented cuts were made in all of the child nutrition programs. The School Breakfast Program was cut by 20 percent and the Lunch Program by 30 percent. These cuts were made through changes in income eligibility for free and reduced-price meals and by decreasing the federal subsidy for reduced-price and "paid" meals. Changes were also made in the applications that parents must fill out in order for their children to receive free free and reduced price meals.

Why We Did the Study

FRAC began to hear from local school food service workers and directors, state child nutrition directors, local parents' groups and anti-hunger groups concerning problems brewing nationwide as a result of the cuts in federal support for the child nutrition programs. Schools and students were beginning to drop out of the programs in large numbers.

FRAC decided to take a closer look at the immediate impact of the cuts on states, selected school districts, and students in those school districts. Moreover, we wanted to understand how some schools stayed in the program while others dropped out immediately. We hoped that the information gathered would be helpful in maintaining participation by schools and students.

Literature Review

The first step in the study was to carry out a brief literature review on the nutritional problems of schoolchildren in the U.S., the nutritional content of the school lunch, the impact of school lunch on children's nutritional intake, the nutritional content of alternatives to school lunch, and the relationship between the cost of school lunch and student participation in the program.

Our literature review revealed that:

- ° There are still children in the United States who do not consume diets that are nutritionally adequate, particularly children from low income families.
- ° The incidence of severe nutritional deficiency diseases is rare among U.S. school children. Although biochemical tests show some nutritional problems among some children, the only consistently reported problem is iron deficiency anemia. On the other hand, poor growth and development have been shown to be a serious problem among some children, especially low income children.
- ° The school lunch, as served and as consumed, often missed the goal of one-third of the Recommended Dietary Allowances (RDA) for several nutrients. However, these lunches still make a substantial contribution to the total daily nutrient intake of some children. For example, school lunch participants from low income households depend on their lunch for 34 to 49 percent of the day's nutrient intake. Moreover, lunches consumed by school lunch participants are more likely to meet the RDA when compared to those of non-participants.
- ° Alternatives to the school lunch — bag lunch, a la carte lunch, the fast food meal, vending machine items — do not match up nutritionally to school lunch.
- ° Deficiencies of specific nutrients have been shown to affect behavior and school performance. Studies of the effects of nutrition

programs, particularly the Breakfast Program, on school performance and behavior suggest that school meals do have a positive effect on learning.

° The cost of a school lunch or breakfast is inversely related to the level of participation in the Program.

How the Study Was Carried Out

Following the review of the literature, questionnaires were developed for state child nutrition directors, for key people in selected schools that had maintained the Lunch Programs and in schools that had dropped the Program, and for children in those same schools. The questionnaires were administered by anti-hunger advocates located around the country. Forty-four states responded to the state director's questionnaire. In the selected school survey data was collected from 19 schools (363 students in 11 states) that had maintained the School Lunch Program and 8 schools (187 students in 4 states) that had dropped School Lunch Program. These schools included both elementary and secondary students.

What We Found Out

The fiscal year 1982 budget cuts and legislative changes in the National School Lunch Program and the School Breakfast Program have had a severe impact on schools and schoolchildren nationwide. Sixty-two percent of the states responding had drops in student participation in the School Lunch Program of over 10 percent, and of those students dropping out, over one-third were low income. Sixty-five percent of the states responding had drops in student participation in the School Breakfast Program of over 10 percent, and of those students dropping out, fifty-nine percent were low income. In fact, the impact was worse, percentage-wise, on the amount of children who are no longer participating in these two programs than on the amount of schools no longer operating these programs. It seems clear that the decrease in student participation in the Lunch and Breakfast Program can only be partially explained by drop-out of schools. Many students are dropping out of on-going programs. (The number of breakfast programs that have been dropped is especially surprising, considering that most children who participate are not paying children, and, therefore, this program should not have felt the budget crunch to the same extent that the School Lunch Program did.)

States have attempted many creative ways to maintain School Lunch and Breakfast participation by students and schools. However, only 13 of the 44 states responding provided financial support to their School Lunch Programs. Nevertheless, the amount of subsidy that these 13 state legislatures do provide is fairly substantial, and if it were pulled out, many lunch programs would suffer.

There were large drops in participation in the elementary and secondary schools with lunch programs that we surveyed. But despite the budget cuts in the School Lunch Program and the decreases in volume of lunches sold, these schools were able to maintain their lunch programs. (The majority of these schools received additional state or local funds for their lunch programs.) Each school changed one or more things in its operation of the Program in order to adapt to the federal cuts, but, unfortunately for the children and the employees, the most frequent changes were an increase in the price of the school lunch and a decrease in the number of employees or in the number of hours they worked. (Based on the 44 states surveyed, the average price for a paid lunch in the 1981-82 schoolyear was 79.8¢. Since the average price in 1980-81 was 63.5¢ this means that the price of a paid lunch increased by 16.3¢.) Three other changes that were mentioned, though less frequently, were: better use of commodities, "merchandising" the Lunch Program, and changes in menu planning.

Children who dropped out of the Lunch Program and children who attended a school that had ended its Lunch Program depended on bag lunches, ate from the a la carte line at school, or did not eat lunch at all. (In the secondary schools, students also used fast food restaurants.) In schools that had dropped the Lunch Program, 58 percent of the children who bought their lunches spent more than 76¢.

Since low income children depend on the School Lunch Program for one-third to one-half of their daily intake, it is disturbing to see that over one-third of the children who no longer eat a school lunch are low income and three-fifths of those who no longer eat a school breakfast are low income. Non-participation in these programs, combined with cuts in the Food Stamp Program and other programs that help poor families to survive financially, can only have a negative impact on many children's nutritional status.

Moreover, according to our survey of selected schools, eating a school lunch made a difference in the kinds of foods eaten. Many more school lunch participants drank milk, ate a fruit, and ate a vegetable than non-school lunch participants or than students who were in a school that had dropped the School Lunch Program. Since these three foods are major sources of essential nutrients, the school lunch eaters are probably fulfilling more of their nutritional needs than the non-school lunch eaters.

School lunch programs obviously need more financial assistance and the maintenance of existing subsidies. However, there is also a need for technical assistance. Among the schools in our survey who dropped the Lunch Program, the only argument made in favor of dropping the Program was cost. Therefore, one kind of necessary assistance is giving local school districts ideas and help in cutting costs (through the methods some of them mention — better meal-planning, merchandising the program, and improved commodity use, as well as others) and increasing student participation.

The other kind of assistance needed is better arguments to make in favor of maintaining the programs, and better ways to make those arguments. In the schools that dropped out, the arguments for maintaining the Program were good ones: the special nutritional needs of low income children, a concern about what the students would be eating instead of school lunch, etc., but those arguments did not carry the day. A combination of cost-saving and participation-increasing ideas, along with improved methods of making the case for the School Lunch and Breakfast Programs, could help many communities decide to continue serving lunch and breakfast to school children.

Acknowledgements

We wish to extend special thanks to Denise Dixon for her work on the literature review and to Martha Brady for her tireless coding of questionnaires.

Mr. Kildee. I want to thank all the witnesses. You have been very, very helpful. As I say, we are trying to prevent the loss of a program rather than later on trying to recover a program and your testimony will be very helpful in achieving that.

Thank you very much.

[Whereupon, at 12:05 p.m., the subcommittee was adjourned.]

[Material submitted for inclusion in the record follows:]

Prepared Statement of Hon. Patrick J. Leahy, a U.S. Senator From the State of Vermont

Mr. Chairman and members of the committee, as ranking minority member of the Senate Subcommittee on Nutrition, I am pleased to have the opportunity to present my views on the issue of child nutrition programs and federalism. As you may be aware, I am one of 33 co-sponsors of S. Con. Res. 121, which is similar in content and thrust to H. Con. Res. 384.

Both of these resolutions express the belief that current Federal efforts to provide nutritional assistance to children should be maintained. Financial responsibility for these programs should not be turned back to the States nor should the current Federal levels of support be diminished.

Essentially, these resolutions say that child nutrition programs are high priority programs. They are of such high priority that they should be assured of Federal support and leadership. There should be no risk that any State would be either unable or unwilling to fund these programs.

This is not to say that States are incapable of administering effective child nutrition programs without Federal intervention. No doubt, many States would continue the fine programs they now operate even without Federal aid. Some States, if freed of Federal red tape, might actually improve their programs.

However, I am concerned that without Federal financial support, child nutrition programs would not receive the same priority nationwide as they do now. The history is clear that prior to Federal involvement in the past few decades, very few State and local resources were devoted to child nutrition efforts. Especially given the current severe financial pressures in the States, I fear that, absent Federal support, child nutrition program funding will be unduly squeezed at the State level—if not immediately, then some year soon.

The Federal child nutrition programs have been a major success. These are popular, well-administered, and effective programs. By maintaining Federal programs, we will assure that all children across the Nation receive minimum levels of support. Surely if one believes that programs to feed children are a necessary and important use of public money, it should not matter whether it is provided by the Federal Government or the States. The important thing is to assure as stable a source of funding as is possible.

I can think of no better investment a society can make than in the health of its children. The short-term investment in these programs saves incalculable long-term health and education costs. It leads to a healthier, more productive Nation. It makes a crucial difference every day for millions of American children. Let us not take the awful risk of tampering with success.

RESOLUTION URGING CONTINUATION OF FEDERAL INVOLVEMENT IN CHILD NUTRITION PROGRAMS

WEDNESDAY, SEPTEMBER 22, 1982

House of Representatives,
Subcommittee on Elementary, Secondary,
and Vocational Education,
Committee on Education and Labor,
Washington, D.C.

The subcommittee met, pursuant to recess, at 9:50 a.m., in room 2175, Rayburn House Office Building, Hon. Carl D. Perkins (chairman of the subcommittee) presiding.

Members present: Representatives Perkins, Andrews, Erdahl, and Petri.

Staff present: John F. Jennings, counsel; Beatrice Clay and Nancy Kober, legislative specialists; and Mary Jane Fiske, minority senior legislative associate.

Chairman Perkins. The subcommittee will come to order.

Today, the Subcommittee on Elementary, Secondary, and Vocational Education is holding its second day of hearings on House Concurrent Resolution 384 [H. Con. Res. 384], a resolution which Mr. Goodling and I introduced, urging the continuation of the Federal involvement in the child nutrition programs.

Yesterday, we heard a number of compelling arguments from medical experts and organizations as to why the child nutrition programs should not be turned back to the States, as was proposed in the President's Federalism initiative.

Today, we have a panel of educators and agricultural organizations who will again be discussing the turnback proposal and its implications. We look forward to your statements.

Our first witness will be Mr. Howard Marshall, a school board member from the city of Baltimore, Md. We will also hear from Dr. Lewis Finch, superintendent of the Anoka-Hennepin Public Schools in Minnesota; and Susan Fridy, director of the consumer and nutrition program of the National Milk Producers Federation.

Let me welcome all of you.

You may proceed, Mr. Marshall.

STATEMENT OF HOWARD MARSHALL, SCHOOL BOARD MEMBER, BALTIMORE CITY PUBLIC SCHOOLS, BALTIMORE, MD., ON BEHALF OF NATIONAL SCHOOL BOARDS ASSOCIATION (NSBA)

Mr. Marshall. Thank you, Mr. Chairman.

Mr. Chairman and members of the subcommittee, I am Howard Marshall, a member of the Baltimore City Public Schools system and an active member of the National School Boards Association Federal Relations Network.

Our association represents 95,000 locally elected and appointed school board members who have been chosen by local citizens to assume the responsibility for the delivery of quality education and related services to the children and youth of their communities. This responsibility is taken in a spirit of civic duty and with the knowledge that American public education is the means by which our citizens make themselves productive, free, and equal.

Mr. Chairman, as a school board member, I believe that the provision of public educational services is a joint venture between three levels of government in this Federal system. The National School Boards Association, on behalf of its members, asks you, members of the subcommittee, and every Member of Congress, to continue to support a Federal role in the child nutrition programs.

The programs and the operational linkage are the result of more than 33 years of experimentation and refinement. It is inconceivable that anyone who knows the delivery system would ever suggest that 50 separate systems could assume the responsibility which now rests with the Federal level partners. In Maryland, we have developed inter- and intra-district transportation and warehousing systems as a part of the commodities donation component of the total program. The local district invests approximately 20 percent of the total support as its contribution among the three governmental partners.

To now suggest that either the local district or the State government would assume the responsibility for the Federal share is to deny the facts.

It has not proven to be the case. Neither the locals nor the State has increased its proportionate share as the Congress has continued to make its annual cuts over the past several fiscal years. What school districts have done is to increase the price charged to our students by 20 cents, from 70 cents to 90 cents. We have also had a dropout rate of 20 percent to 50 percent across the three categories.

The paid-lunch student group is relatively small, and the increase of 20 cents resulted in a 20-percent dropout rate. The reduced-price students had a dropout rate of 50 percent. In the breakfast program, 94 percent of the reduced-price students no longer participate. We do not know what, if anything, these children are now eating, but it is absolutely unconscionable that any child in this country should be allowed to be hungry.

This travesty must be stopped, Mr. Chairman. Members of my board and my colleagues nationwide cannot understand how, by reducing the number of children able to participate in school lunch or breakfast programs, the United States of America will be better off.

The statutes which authorized the child nutrition programs; namely, the National School Lunch Act, or 42 U.S.C. 175, and the Child Nutrition Act of 1966, or 42 U.S.C. 1779; were designed to safeguard the health and well-being of the Nation's school children and to encourage the domestic consumption of nutritious agricultural commodities. These purposes are complementary and interdependent.

As a local member of a unit of government, I cannot envision the structure which would be necessary to coordinate the Nation's network of commodity purchases now carried out by USDA [U.S. Department of Agriculture].

Finally, the program is not now, nor has it ever been, perceived by school boards as a program primarily to feed poor children. The program is, or should be, for every child. We need the program as an instructional system to improve the health of future generations.

I thank you, Mr. Chairman, and appreciate this opportunity to make this plea to you and your subcommittee on behalf of the NSBF.

Chairman **Perkins**. Thank you.

Mr. Erdahl will introduce the next witness from the State of Minnesota.

Mr. **Erdahl**. Thank you very much, Mr. Chairman.

Before I do that, I want to apologize for being tardy. I must also apologize for having to leave shortly because we are having another hearing dealing with some proposed regulatory changes in Public Law 94-142. I know that is another concern of yours.

Also, Mr. Chairman, I want to commend you for holding these hearings and for permitting me to become a cosponsor with you of House Concurrent Resolution 384, so that we continue what most of us would agree are some needed nutritional programs in this country.

I am glad to introduce a fellow Minnesotan, Dr. Lew Finch, who is superintendent of the Anoka-Hennepin Public School system which includes portions of both Anoka Hennepin County. It is an urban-suburban area. It is a very large school system in Minnesota. I know that he speaks from a wealth of experience.

I am glad, Mr. Chairman, to welcome Dr. Finch to our hearing today.

Thank you very much.

Chairman **Perkins**. You may proceed, Dr. Finch.

STATEMENT OF LEWIS FINCH, PH. D., SUPERINTENDENT, ANOKA-HENNEPIN PUBLIC SCHOOLS, MINNESOTA

Dr. **Finch**. Mr. Chairman and Congressman Erdahl, ladies and gentlemen, I am pleased to be here representing not only the State of Minnesota but public schools throughout our country.

I come here in support of the House Concurrent Resolution 384.

Our district enrolls nearly 30,500 students in kindergarten through grade 12. As Congressman Erdahl indicated, we are in the northwestern area of Minnesota, that is, the Twin Cities, seven-county area. We encompass all or part of 13 different municipalities and 2 counties in Minnesota.

The Federal reduction in support of the child nutrition program has had a dramatically negative impact on our child nutritional services in our school district. I hasten to add that that is true of most school districts in the State of Minnesota.

The first thing which we were required to do, frankly, was to increase prices of lunches. The gentleman from Baltimore indicated the percentage of increase. We actually went a little farther than that. We increased our elementary school prices from 60 to 90 cents, our junior high school prices from 65 cents to $1, and our senior high school lunches from 70 cents to $1.10. Our prices for reduced-price lunches went up from 20 cents to 40 cents.

Chairman **Perkins**. That is a 35-percent increase.

Dr. **Finch**. Yes.

My initial reaction, when I heard the news that we would have reductions in Federal aid, was not unlike that of many citizens and, I am sure, most superintendents in the State. We were not exactly upset about it. We felt that perhaps those parents who were the direct beneficiaries of the services ought to bear more of the financial burden.

Frankly, after seeing it happen, I am appalled at what I see. The Federal reduction in support of our child nutritional programs has had, as I indicated, a dramatically negative impact, I believe, on the health and nutrition, and ultimately on the education, of our young people. There is no question about it.

The burden on Minnesota, on our school districts, and on the families in our school district is just too great. It has been impossible due to the state of the economy and the fact that we have a high rate of unemployment, although in the Twin Cities area our rate of unemployment is decidedly less than the national average. Nevertheless, it has had an impact on the ability of families to support their children.

Consequently, we have had to increase prices for lunches, as I indicated, and the result has been dramatic. Every bit of available resources which we currently have we channel toward instruction. It is impossible for us to meet the children's nutritional requirements with the resources which we have left.

The result in participation is something which I would like to relate to you because it will illustrate to you what happens in a community, which you would call a typical suburban area. It is socioeconomically middle class. These are not the poor areas of our Nation. As was indicated by the previous speaker, the child nutrition programs were never intended to provide free lunches only for poor children but for everyone.

We have a 35-percent reduction in one year in participation. One year ago, we were serving 20,850 class A lunches. We are down to 13,400 on a daily basis. A year ago, we were serving a nutritious class A lunch to nearly 80 percent of our total student population. That has been reduced to just over 50 percent this past year.

In 1980 and 1981, we were serving 3.5 million class A lunches per year. That was reduced dramatically in 1981 and 1982 to 2.3 million.

We were astounded at the reduction in participation in the reduced-price lunch. A 20-cent increase, from 20 to 40 cents, does not sound like very much to most of us. The result, however, was a reduction of nearly one-third of the students participating in reduced-price lunches. We are down from 1,450 a day to 940.

A dramatic reduction occurred in the consumption of milk, which ought to be of interest to some of the witnesses today. We have a decline in milk consumption from 5.1 million half pints per year to 3.7 million half pints per year, a 27-percent reduction in milk consumption among our student body.

Chairman **Perkins**. That occurred since last year.

Dr. **Finch**. Those are just numbers. Let me tell you a little bit about the human dimension of it. We are seeing more bagged lunches. I wish I could have confiscated a random sampling of the bagged lunches and put them out here on the table for you to see today to let you decide whether or not the bagged lunches are typically nutritious. We know that they are not hot. You could see whether or not they are providing the kind of nutrition which our children require.

These are not poor children. They are from middle- and upper-income families. The bagged lunches which our principals are reporting, as they observe what is going through the lunch lines, are appalling from a nutritional standpoint. They consist of Twinkies, Hershey candy bars, a few potato chips, and things of that nature. That is what you see coming into our schools in the form of bagged lunches. Of course, that is not all of them but a significant number of them.

In our school district, over 60 percent of the children attending school come from homes where both parents, or if they are single-parent families, are all working. This has placed an increased burden on the working parents. They simply do not have the time, and many of them do not have the resources, to provide nutritious lunches.

For many, many of our students that school lunch represented the only nutritious, hot meal which they received throughout the day. That was it.

Mr. **Andrews**. I have to ask this question. If they had a candy bar and a bag of potato chips, it would cost more than 40 cents. How do you account for that?

Dr. **Finch**. I do not know how to account for that. As a matter of fact, what we see appearing in some of the bagged lunches is less nutritious and more expensive than the hot lunch would be. I do not know how to account for that.

I am sure that it is a matter of nutritional education, but it is also an interesting point.

Mr. **Andrews**. Are food stamps playing into that? Is it perhaps the mother or whoever does the shopping for the family, who has food stamps available at a reduced rate and can get the food at the grocery store such that potato chips or a Hershey bar actually constitute less out-of-pocket cash than the school lunch would constitute?

Dr. **Finch**. That could be. We have made the same observation, and I am at a loss as to why it is true.

Mr. **Marshall**. One of the things, Mr. Chairman, which the lunch program is designed to do is the same as what is done in math, English, or social studies classes, namely, to educate youngsters in proper nutritional practices. That is why, as I said earlier in my statement, it is not something only designed for underprivileged young people. It is designed for all. It is part of the total educational process which the school system provides.

Dr. **Finch**. That is very true.

Chairman **Perkins**. I hate to do this, but I am afraid that we have to interrupt you because we have four or five votes on the floor [of the House of Representatives]. We should be back in 30 minutes. We will recess now and hear from you all when we return.

[Recess taken.]

Chairman **Perkins**. We will resume the hearing.

The other gentlemen are not here yet, but we will go ahead and hear from you now, Ms. Fridy.

STATEMENT OF SUSAN FRIDY, DIRECTOR, CONSUMER AND NUTRITION PROGRAM, NATIONAL MILK PRODUCERS FEDERATION, ON BEHALF OF NATIONAL BROILER COUNCIL, NATIONAL CATTLEMEN'S ASSOCIATION, NATIONAL DRY BEAN COUNCIL, NATIONAL FOOD PROCESSORS ASSOCIATION, NATIONAL PORK PRODUCERS COUNCIL, POULTRY & EGG INSTITUTE OF AMERICA, RICE MILLERS' ASSOCIATION, AND UNITED FRESH FRUIT & VEGETABLE ASSOCIATION, ACCOMPANIED BY MARGIE WILLIAMS, DIRECTOR, GOVERNMENT AFFAIRS, NATIONAL ASSOCIATION OF WHEAT GROWERS; LINDA NAIDA, LEGISLATIVE ASSISTANT, NATIONAL GRANGE; LEE ZELLWEGER, PEANUT ADVISORY BOARD; FLOYD F. HEDLUND, PH. D., CONSULTANT, APRICOT PRODUCERS OF CALIFORNIA, CALIFORNIA CANNING PEACH ASSOCIATION, AND CALIFORNIA CANNING PEAR ASSOCIATION; CATHERINE McCHAREN, UNITED EGG PRODUCERS; RUTH E. KOBELL, NATIONAL FARMERS UNION; AND LEW WALTS, NATIONAL TURKEY FEDERATION

Ms. **Fridy**. Thank you, Mr. Chairman. We always enjoy coming to address your subcommittee.

We welcome the opportunity to present our views on House Concurrent Resolution 384. The people of our organizations are the farmers and ranchers who produce America's food—meat, poultry, dairy products, grains, oilseeds, dry beans, vegetables, and fruit. Joining us are associations of America's food processors.

We are united in expressing our support for the purpose of House Concurrent Resolution 384, that is, the continuation of child nutrition programs at the Federal level.

We commend the members of this subcommittee for their leadership through this resolution and its reaffirmation of the Federal responsibility for child nutrition programs.

As the resolution states: "The United States has been committed to assuring adequate nutrition for schoolchildren since the enactment of the National School Lunch Act on June 4, 1946."

That assurance is based in large measure on the relationship of the national school lunch program with America's agricultural community. The relationship fills two great needs through the commodity distribution program of the U.S. Department of Agriculture. Every dollar spent to purchase commodities does the work of $2. The same dollar which provides schools with a significant volume of nutritious foods they require also works to help stabilize the farm economy.

This unique and logical program can function only as long as child nutrition programs remain a Federal responsibility.

The logic of the commodity distribution program is as sound today as it was back in the 1930's, when it was initiated as a solution to fill two pressing needs. At that time, the availability of food for Americans was disrupted by drought, dust storms, and the Depression.

The U.S. Government initiated the system of acquiring crops with depressed markets and putting them to good use in school lunch programs. It is the Federal sponsorship of the national school lunch program which provides the workable framework for this commonsense program.

Through the years, the purchase and distribution of commodities by USDA has become an essential mechanism for the operation of school lunch programs and for the survival of farmers and ranchers. We are pleased to see that commodity distribution has become an even stronger asset to school lunch programs in the 1980's.

For years, most commodity organizations have conducted continuing programs throughout the school food service world to help local staffs make good use of the commodities they receive. The organizations share their expertise on the respective commodities and provide practical recipes and serving ideas, merchandising materials, and other assistance.

The vast majority of school lunch operations have welcomed the commodities which they receive from USDA as a means of helping to hold down the cost of school lunches.

Now, with the severe cuts in cash reimbursements for school meals, the distribution of commodities takes on an even more important role in all types of school lunch operations, including those which formerly limited their use of commodities because of the nature of their preparation and serving systems.

In recent years, many commercial firms have entered into processing agreements which use the basic commodities as the ingredients in food products, at considerable savings to school lunch programs.

Currently, USDA is considering a plan to expand such processing by establishing new procedures at a nationwide level. The proposal would enable school lunch programs to benefit from reduced costs of more types of product.

For the farm community, the commodity distribution program is one of the very few mechanisms which help to deal with the year-by-year uncertainties of agriculture. For agriculture, there is no such thing as a normal year. There is no way to plan and produce the exact amount of all the different foods—nor more and no less—which will be required by domestic and foreign markets in the ensuing year. No one has found a way to avoid shortages of some foods and surpluses of others.

The uncertainties of the normal year are enough to warrant the commodity distribution program. Beyond that, the abnormal conditions of recent years emphasize the need for a continuing commodity distribution system.

Our food producers are helpless against the unending tide of increasing prices for everything which is needed to produce a crop. Coupled with that is the burden of high interest rates, but when farmers sell their crops, the prices they receive often are less than what they need to survive.

Against that background, the commodity distribution program is an effective mechanism which helps to ease the ups and downs of farming—the ups of excess production and the downs of farm prices which do not meet farmers' costs. The size of the purchases of any single commodity under the program may account for only a small proportion of the total crop, but it often is enough to contribute significantly to ease the problem of farm surplus and below-cost prices.

In addition, commodity donations are a necessary complement to existing USDA programs to reduce surplus production.

In summary, the commodity distribution program is working for the benefit of school lunch programs and the farm community. Without it, prices of school lunches would rise out of sight, and the one relief valve for the ups and downs of farm production and marketing would be shut off permanently.

Currently, the agricultural economy is severely depressed, and the commodity distribution system is effectively demonstrating its ability to fulfill its responsibility of providing low-cost commodities to school lunch programs and to help ease the economic pressure on the Nation's farmers.

The continuance of the commodity distribution program rests on the continued responsibility of the Federal Government for child nutrition programs. For that reason, as well as to maintain the commitment to assure adequate nutrition for American schoolchildren, child nutrition programs should remain at the Federal level.

As I am sure the subcommittee has noticed, we have 20 commodity and food-processing organizations cosigning this statement. Representatives of a number of these organizations are present today to emphasize our commitment and unity with respect to House Concurrent Resolution 384 and the commodity distribution program.

A few had to leave because of the pressure of time. One was Jay Howell, representing the National Council of Farmer Cooperatives.

Chairman **PERKINS**. Without objection, Mr. Howell's statement will be inserted in the record at this point.

[Statement of National Council of Farmer Cooperatives follows:]

PREPARED STATEMENT OF NATIONAL COUNCIL OF FARMER COOPERATIVES

MR CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE: My name is Jay Howell, Director of Legislative Affairs, of the National Council of Farmer Cooperatives. The National Council is a nationwide association of cooperative businesses which are owned and controlled by farmers. We represent about 90 percent of the more than 6,400 farmer cooperatives in the nation, with a combined membership of nearly 2 million farmers. The National Council is pleased to have the opportunity to appear before the subcommittee and would like to register its strong support for continuation of the child nutrition programs at the Federal level.

Ms. **FRIDY**. We each thought that we would take this opportunity, Mr. Chairman, to give you a one-sentence introduction of ourselves.

I am Susan Fridy. I represent the National Milk Producers Federation. We represent the American dairy farmer.

I think you know that for years we have supported the child nutrition programs and commodity distribution, and we welcome the opportunity to emphasize our support of your resolution.

Ms. Naida. I am Linda Naida, Mr. Chairman and members of the subcommittee. I am a legislative assistant to the National Grange. The Grange is a strong advocate of the Commodity——

Chairman Perkins. The Grange supports it.

Ms. Naida. That is correct.

Chairman Perkins. We intend to report a bill right away because we have so many other things to do. Have you anyone else who may want to make a statement in support?

Ms. Williams. Yes. My name is Margie Williams, director of government affairs of the National Association of Wheat Growers. We also endorse your resolution, Mr. Chairman.

Ms. Kobell. I am Ruth Kobell of the National Farmers Union. We reiterate our historic support and appreciate your leadership.

Ms. McCharen. I am Cathy McCharen of the United Egg Producers. We also support the resolution.

Mr. Van Howling. I am Don Van Howling, representing the Nation's pork producers and the National Pork Producers Council. We also support the resolution.

Mr. Hedlund. My name is Floyd Hedlund, Mr. Chairman. I am here today representing the Apricot Producers of California, the California Canning Peach Association, and the California Canning Pear Association.

The California canned fruit producers have been having some difficult times. Crops have been large. Demand has been small, and exports have been down very very much, even though producers assess themselves to promote their products in the marketplace.

Canned fruit are among the preferred products in the national school lunch program. We endorse House Concurrent Resolution 384 and the present commodity distribution system, whereby excess canned fruit can be channeled to help supply the school lunch program and other national nutritional programs.

Chairman Perkins. Thank you.

Mr. Zellweger. I am Lee Zellweger representing the Peanut Advisory Board, an organization of growers from Georgia, Alabama, and Florida, who grow 65 percent of the Nation's peanuts. We strongly support Federal leadership in the maintenance of all child nutritional programs.

Mr. Walts. I am Lew Walts, Mr. Chairman. I represent the National Turkey Federation.

Our members are responsible for the production and marketing of approximately 95 percent of the Nation's turkey crop.

With your permission and in the interest of time, Mr. Chairman, I would like to read two paragraphs from a letter which the National Turkey Federation sent to President Reagan in March 1982.

Chairman Perkins. We are in quite a hurry. We want to get this bill reported to the full committee, and we have a member here who has to go to another committee.

Mr. Walts. All right, sir. I will rush right through this.

> In retrospect, 1981 was a financial disaster for turkey producers. Some of our producers report losses as high as $1 per turkey. There have been bankruptcies. However, these have been minimal, but this is due only to the fact that USDA was openly active in the marketplace, making direct purchases from our processors.
>
> These purchases impacted positively on market values. We estimate the Department's turkey purchase program has assisted the producer price structure by 5 to 6

cents per pound. Had it not been for these purchases, we are fearful that the bankruptcies in the turkey industry would have been catastrophic.

Therefore, Mr. Chairman, the National Turkey Federation very, very strongly supports the resolution. Thank you.

Chairman **Perkins**. Is there anyone else?

Ms. **Fridy**. Thank you, Mr. Chairman.

Chairman **Perkins**. Let me thank all of you.

We have a markup session of the subcommittee scheduled right now. Therefore, the subcommittee stands adjourned.

[Whereupon, at 11:40 a.m., the subcommittee recessed.]

[Material submitted for inclusion in the record follows:]

Society for Nutrition Education,
Oakland Calif., October 13, 1982.

Congressman Carl D. Perkins,
House of Representatives, Chairman, Committee on Education and Labor, Subcommittee on Elementary, Secondary, and Vocational Education, Rayburn House Office Building, Washington, D.C.

Dear Chairman Perkins: On behalf of the Board of Directors of the Society for Nutrition Education, a professional organization of 5,000 nutrition educators, I am pleased to tell you that SNE is in support of the passage of H. Con. Res. 384. SNE has long maintained an interest in and support for the Child Nutrition Programs (NET Programs), which has turned school cafeterias into nutrition learning centers, in the belief that these programs represent an important investment in the nation's children.

Over the years SNE has watched as these programs have successfully reduced hunger and malnutrition in this country. SNE believes that to turn these programs over to the states jeopardizes this success. Moreover, a child's need for a nutritionally adequate diet does not vary from state to state.

Therefore, SNE believes it is of the utmost importance that the federal government continue to maintain primary responsibility for the Child Nutrition Programs.

We hope that passage of H. Con. Res. 384 will be strongly supported.

Sincerely,

Helen D. Ullrich,
Executive Director.

United States Catholic Conference,
Department of Social Development and World Peace,
Washington, D.C., September 15, 1982.

Hon. Carl D. Perkins,
Chairman, Committee on Education and Labor, Rayburn House Office Building, Washington, D.C.

Dear Congressman Perkins: The Office of Domestic Social Development of the United States Catholic Conference endorses House Concurrent Resolution 384 expressing the sense of Congress that the United States should maintain federal involvement in, and support for, the child nutrition programs.

The U.S. Catholic Conference opposes any efforts to decrease or eliminate funding for child nutrition programs. The guarantee of certain basic human rights is necessary for the achievement of human dignity. The right to food is one of these rights. The various child nutrition programs were established at a national level to help meet the basic food and nutrition needs of many impoverished children. We wish to lend our support to a continuance and strengthening of these programs. We believe that the intent of H. Con. Res. 384 will help to do this, particularly at a time of deepened economic stress.

We appreciate your consideration of our views and we hope the committee and the Congress will adopt H. Con. Res. 384.

Sincerely,

Ronald T. Krietemeyer, *Director.*

THE AMERICAN DIETETIC ASSOCIATION,
Chicago, Ill., September 15, 1982.

Hon. CARL D. PERKINS,
U.S. House of Representatives,
2328 Rayburn House Office Building, Washington, D.C.

DEAR MR. PERKINS: The American Dietetic Association (ADA), representing 47,000 nutrition professionals, supports passage of H. Con. Res. 384, which you have introduced, and agrees that the federal government should continue fiscal and administrative responsibility for child nutrition programs.

ADA's concern about maintenance of federal involvement in child nutrition programs is a natural outgrowth of its position, expressed earlier this year, on maintenance of WIC as a categorical grant program with adequate funding. Although we understand that WIC has been permanently removed from any New Federalism plan which may be introduced next year by this Administration, prognosis for the rest of the child nutrition programs is uncertain. We believe that the threat of malnutrition in this country has been greatly reduced as a result of many federal initiatives, including the child nutrition programs. Therefore, we believe that the federal government should capitalize on these successful efforts.

With this letter, ADA lends it support to that of other organizations who have backed this resolution, including the American School Food Service Association with which ADA maintains a continuing liaison.

Sincerely yours,

EDNA P. LANGHOLZ, R.D.,
President.
JAMES L. BREELING,
Executive Director.

COALITION ON BLOCK GRANTS AND HUMAN NEEDS,
Washington, D.C., September 23, 1982.

Hon. CARL PERKINS,
Chairman, Subcommittee on Elementary, Secondary and Vocational Education, Rayburn House Office Building, Washington, D.C.

DEAR REPRESENTATIVE PERKINS: On behalf of the Coalition on Block Grants and Human Needs I want to express my support for H. Con. Res. 384.

Congress should reaffirm the federal government's responsibility for ensuring that all children in this country receive an adequate and nutritious diet. State governments simply lack the resources necessary to support their own child nutrition programs, and the evidence is clear that the nation's children have been better served by a program that is a nationally designed, financed and administered.

We have on many occasions expressed strong objections to this Administration's new federalism proposal generally. And our endorsement of H. Con. Res. 384 is only a further expression of support for national policies to address national problems.

Sincerely,

SANDY SOLOMON,
Executive Director.

INTERRELIGIOUS TASKFORCE ON U.S. FOOD POLICY,
Washington, D.C., October 25, 1982.

NEW FEDERALISM AND CHILD NUTRITION

The Interreligious Taskforce on US Food Policy would like to thank you and the cosponsors of H. Con. Res. 384 for supporting continued Federal responsibility for child nutrition programs. In addition to registering with you our support of the resolution, we would like to provide for the record of the hearings our own thinking on the rationale for continued Federal responsibility for such programs. We are very much concerned with the Administration's efforts to reduce or even eliminate this historic role.

Numerous studies, including the highly acclaimed 1977 Field Foundation report, show that child nutrition programs have been instrumental in alleviating widespread hunger and malnutrition in recent years. Federal responsibility has been the key to this success. History does not support the Administration's assertion that state-run nutrition programs will be more effective. The Federal government assumed responsibility only when it became clear that states had not taken and were unlikely on their own to take adequate steps to address the issue of child nutrition.

Our nation had made great progress toward eliminating malnutrition in American children. After coming so far, it would be a serious error to turn programs back to the states. The reasons for maintaining Federal responsibility include the following:

Few states can afford to keep up the programs. More than half of the states already face serious deficits. Recent studies show that most states cannot afford to replace lost Federal funds.

Nutrition standards and program effectiveness would vary greatly among states without Federal guidelines and oversight. All children, irrespective of geographical location, have the right to an adequate diet.

Individual states would be forced to respond on their own to regional economic conditions and differences. Rising unemployment, which has hit some regions harder than others, increases the need for local child nutrition assistance while reducing the local tax base. Only the Federal government can ease the burden for states disproportionately affected by such problems.

We fear that the "turnback" proposals, rather than being a serious initiative to improve the programs, represent another attempt by the Administration to cut the budget. Our children's nutritional well-being should not be the means by which we balance the budget. We support funding adequate to allow all those eligible to participate, funding which only the Federal government can ensure.

We appreciate the opportunity to submit this statement and look forward to working with you and your staff in support of domestic nutrition programs which improve the lives of our children.

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